

The National Underwriter

A WEEKLY NEWSPAPER OF INSURANCE

THURSDAY, OCTOBER 17, 1929

BRITISH AMERICA

Assurance Company

Toronto, Canada

Incorporated 1853

CITY

Insurance Company

of Sunbury, Pa.

Incorporated 1879

WESTERN

Assurance Company

of Toronto, Canada

Incorporated 1881

UNITED STATES FIRE

Insurance Company

of New York

Incorporated 1824

Assets \$38,570,144
Liabilities 18,524,501
Capital 4,000,000
Net Surplus 16,045,643

CRUM & FORSTER MANAGERS

110 William St. New York City

DEPARTMENT OFFICES

Western Dept. Southern Dept.
FREEPORT, ILL. ATLANTA, GA.
Pacific Dept. North Carolina Dept.
SAN FRANCISCO, CAL. DURHAM, N. C.
Allegheny Dept.
PITTSBURGH, PA.

NORTH RIVER

Insurance Company

of New York

Incorporated 1882

Assets \$25,722,401
Liabilities 11,924,198
Capital 2,000,000
Net Surplus 11,848,203

UNION FIRE

Insurance Company

of Buffalo, N. Y.

Incorporated 1874

RICHMOND

Insurance Company

of New York

Incorporated 1907

METROPOLITAN FIRE

Insurance Company

of Chicago, Ill.

Incorporated 1900

ALLEMANNIA FIRE

Insurance Company

Pittsburgh, Pa.

Incorporated 1888

UNITED STATES Merchants & Shippers Insurance Company

of New York

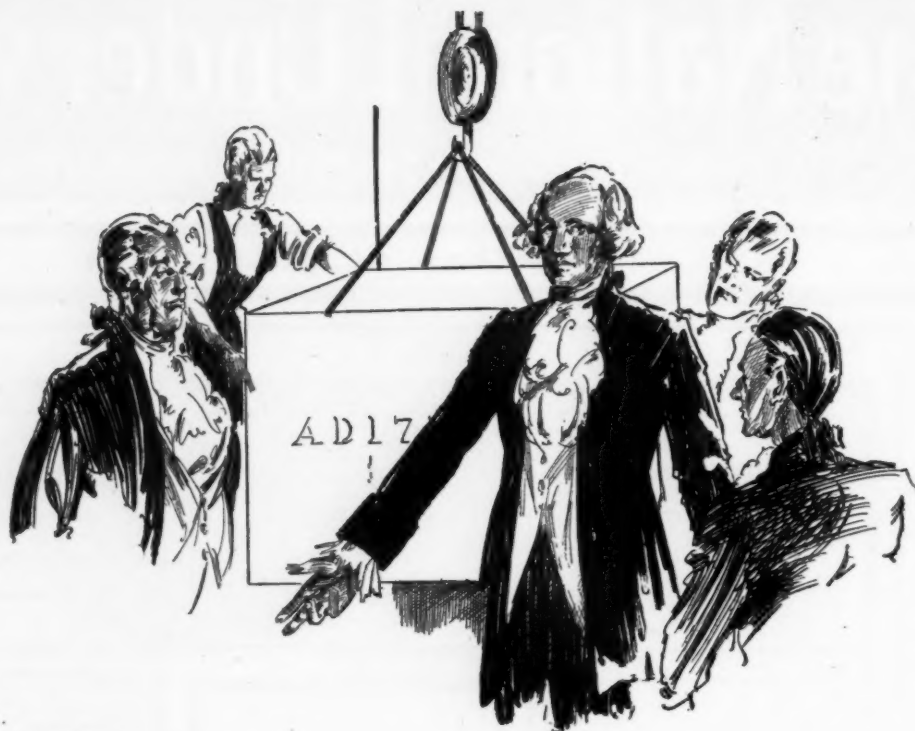
Incorporated 1886

NEW YORK STATE FIRE

Insurance Company

of Albany, N. Y.

Incorporated 1836



When
*the Corner Stone of the Capitol
 Building was laid in 1793, the
 "Phoenix" had been providing
 dependable protection for eleven
 years.*



**PHOENIX
 ASSURANCE COMPANY, Ltd.
 of LONDON**

150 WILLIAM STREET

NEW YORK

**PHOENIX
 INDEMNITY COMPANY**

150 WILLIAM STREET

NEW YORK

The Outstanding Agent

HE LOOMS up head and shoulders out of the ruck—an insurance expert, not a “policy peddler.” Planning his campaigns like a successful general, he builds the groundwork of his sales before he leaves his office.

Much of the time that others spend dreaming, or going aimlessly from door to door, or being a “curbstone” agent, he devotes to intelligent systematization. He keeps at his fingertips the vital statistics, and studies ways and means of presenting his knowledge where it will do the most good—to his client and to himself. ➔ ➔

When he does make a call, he *means* business. ➔ ➔ ➔ ➔ ➔

This is the type of the agent in whom this company reposes the utmost confidence. He helps to build our business and his own. ➔ ➔ ➔ ➔



THE **LIVERPOOL**
AND **LONDON**
AND **GLOBE**
Insurance Co., Ltd.

Executive Offices: 1 Pershing Sq., Park Ave. at 42nd St., N. Y. C.
Pacific Coast Dept., San Francisco, Calif.

THE NATIONAL INSTITUTION WITH A WORLD WIDE BACKGROUND

Will you be a *White Fireman* for a week?



WHO is the White Fireman? He is used in this advertising to symbolize loss-prevention engineering service—a nation-wide service, supported by insurance companies, having for its purpose the reduction of loss-hazards. Consultation on proposed structures, inspection of property, testing of materials and equipment, and many other kinds of technical assistance comprise the work of this service. Ask your North America Agent.

North America Agents are listed in the insurance sections of classified telephone directories under "INSURANCE CO. OF NORTH AMERICA."

Insurance Company of North America
PHILADELPHIA
and
Indemnity Ins. Co. of North America
write practically every form of insurance except life
The Olden American Fire and Marine Insurance Co.—Founded 1792

NEXT week (October 6 to 12) is Fire Prevention Week, time for mobilization of the Nation's forces for the protection of homes, industry and resources against America's greatest enemy—FIRE. Next week every citizen is expected to be as fire-conscious as the White Fireman and DO SOMETHING to reduce America's fire loss, the greatest per capita fire loss in the world.

Home owners will have their chimneys and flues put in good condition, will call in competent electricians to check up on the safety of all wiring, will see to it that all rubbish is

removed from premises, that metal containers are provided for ashes, that open fireplaces are equipped with screens, that matches are placed out of reach of children. They will instruct members of their households to be careful in the use of electrical appliances. They will warn against the dangers of using flammable cleaning fluids. They will emphasize the importance of care in the disposal of lighted cigars, cigarettes and matches. They will have extinguishers installed.

Owners and managers of manufacturing, mercantile, hotel, apartment, office and storage

buildings will have careful inspections made to assure themselves that all fire hazards are properly protected and that fire-protection equipment is in efficient working order.

Every week is Fire Prevention Week for the White Fireman, symbol of the organized loss-prevention service supported by insurance companies. He is working day in and day out to protect property owners from loss. He is ready at all times to help owners of property reduce fire hazards. Responsible insurance agents and brokers will tell you how to secure his services.

Property Owners may Secure Loss-prevention Service through Responsible Insurance Agents or Brokers

[[The advertisement reproduced above appears in full-page space, two colors, in The Saturday Evening Post, October 5, and The Literary Digest, October 5.]]

John Citizen salutes the White Fireman and thereby recognizes that they both are enlisted in the army humanity has marshalled against a common foe—FIRE.

These two—the public and the insurance business—are passing beyond the old suspicious ground of buyer and seller. Today, they are brothers-in-arms fighting for the same cause.

The Insurance Company of North America magazine advertising has consistently striven to foster this relationship.

Its current advertisement, calling to all Americans to join Fire Prevention Week, forgets "sales talk" and discusses matters of vital interest to all.

At the same time, the favorable attitude of the millions who read these advertisements cannot help resulting in more business for insurance writers in general and especially the men of North America.

The National Underwriter

Thirty-Third Year No. 42

CHICAGO, CINCINNATI, NEW YORK AND SAN FRANCISCO, THURSDAY, OCTOBER 17, 1929

\$4.00 Per Year, 20 Cents a Copy

Netherlands in New Alliance

Becomes Member of Caledonian Group with R. R. Clark as United States Manager

IS MOVING TO HARTFORD

Announcement of New Lineup Made by J. F. D. Scheltema, General Manager from Home Office

J. F. D. Scheltema, general manager of the Netherlands at its home office in The Hague, who has been visiting the United States headquarters of that company in Chicago, announced this week that the Netherlands is joining the Caledonian group. Robert R. Clark, United States manager of the Caledonian and president of the Caledonian-American, has been appointed United States manager, succeeding Harold W. Letton, whose resignation on account of ill health was also announced by General Manager Scheltema.

Mr. Clark and several members of his staff are in Chicago, making arrangements to move the United States branch office of the Netherlands to Hartford, which is the headquarters for the Caledonian companies. All of the activities of the Netherlands in this country will hereafter be directed by Manager Clark and the other members of the executive staff of the Caledonian group from the Hartford office.

Valuable Acquisition to Group

The Netherlands is one of the sound and conservative foreign companies which has established an excellent reputation in this country and will be a material acquisition to the Caledonian group. It has been entered in this country since 1913 and has made its United States headquarters in Chicago throughout that period. It writes fire, tornado and automobile insurance and had net premiums last year of \$616,124. It operates in practically all sections of the United States.

The change in management will probably result in a change of affiliations in the west for the Netherlands, which is now a member of the Western Insurance Bureau, while the Caledonian and Caledonian-American are both members of the Western Union.

Companies Have High Reputation

The two companies of the Caledonian group have an especially high reputation. While conservative in their underwriting, they have shown a steady growth and a consistent profit from their operations. The high standards established by former managers are ably upheld by Robert R. Clark, who now directs the activities of the group in this country. He has had a thorough underwriting training and is highly regarded by company executives in this country, as well as by the officials of

Goodwin Tells Problems Facing Agency System

LOS ANGELES, Oct. 16.—Expressing in no uncertain terms his contempt for non-cooperating companies, calling for discontinuance of the non-policy-writing agent on a temperate basis, handled in fairness to all concerned, and outlining the dangers of the branch office system, Percy H. Goodwin, chairman of the executive committee of the National association of Insurance Agents, spoke before the annual meeting of the Los Angeles Insurance Exchange.

Mr. Goodwin began by stressing the necessity for more complete agency organization. "If the state and National associations today," he said, "should cease to function within six months, your local trou-

bles would be so increased that conditions of today in retrospect would seem like Utopia, and each one of you then would be willing to pay any reasonable sum to bring the state and national organizations back to where it is today.

Recognize Agency System

"The time has arrived," said Mr. Goodwin, "when a large number of the cooperating companies of the United States realize that agency organization is as necessary for their own interest and the interest of the insurance business in general as for the producer. Fortunately the large majority of stock insurance companies of today are cooperating companies which believe in the producer and believe in the American agency system but unfortunately there are still a few which are destructive factors rather than constructive, which always want to try something new, which will not cooperate with other insurance companies, which want to play a lone hand, and would like to see the disintegration of the American agency system. It is this type of company and the new type of banker-controlled company management that makes it necessary for the producer to strengthen his hand and strengthen his organization for the benefit of the cooperating company and the insuring public as well as for himself.

Increase Acquisition Cost

"The majority of the cooperating companies do not believe in branch offices. They know it will increase the acquisition cost of business. They know it will

the Caledonian at its head office in Scotland.

Manager Clark's Career

Mr. Clark is a westerner by birth but was educated and had all of his insurance training in the east. He started his insurance career in the local agency field in Boston, following which he became New England special agent for the Newark Fire. He joined the Caledonian in 1914 as general agent for the New England department, remaining in that capacity until 1924, when he was called to the United States head office in Hartford as executive general agent. In 1925 he became assistant United States manager of the Caledonian and vice-president of the Caledonian-American, of which company he is also a director. He became United States manager of the Caledonian and president of the Caledonian-American in November, 1927, on the retirement of R. C. Christopher.

decrease the efficiency of insurance service and they know that eventually it will decrease premium income. But if the few companies who do believe in branch offices, which desire to try something new, are successful in their efforts, the cooperating companies may be forced against their own judgment to duplicate the branch office of their competitors.

"I know there are a few agencies or producers who in moments of despair have said that they would like to see branch offices established but in saying this these agents do not visualize nor do they realize the eventual effect of branch offices. They think only of a branch office as one which will do all the work but accept business only from the legitimate licensed agent—possibly a member of his own local board or exchange—but gentlemen, if branch offices are established this condition will not prevail. Branch offices, when once established, will take business from any source they can get it, from any type of producer, and many of them have advocated the breaking down of the agency licensing system so that members of the insuring public could come to their branch offices and place their business over the counter and receive a premium discount for so placing the business and as a bonus for placing it direct and not through an agent. Under the existing licensing system branch offices would appoint anyone that might apply, as solicitor or agent, anyone from the garbage collector to the high-powered attorney. Under the branch office system agency solicitation would be increased many hundred fold, to the end that in time there would be few service-giving agencies left and the overhead expense or acquisition cost would be increased probably to the point where there would be no profit in the agency business."

Cannot Be Remedied Over Night

As to non-policy-writing agents, Mr. Goodwin took the position that a condition which has grown to such proportions over a period of years cannot be remedied over night, but must be allowed a period of time for its gradual elimination.

"The non-policy-writing agency condition today," he said, "is very serious, and your National association is going to do everything in its power to bring about a discontinuance of this system. There is not a manager or executive that can defend the non-policy-writing agent. They frankly state there is no defense for the non-policy-writing agent but that it

(CONTINUED ON PAGE 41)

Urges Agents to Be Present

F. V. Bruns of Syracuse Tells Local Men to Attend Stockholders' Meetings

WOULD DISSIPATE FOG

Declares That Home Office Men and Directors Need to Get Producers' Viewpoint

Frederick V. Bruns, president of the Excelsior of Syracuse, N. Y., and head of the Bruns, Raleigh & Munns local agency, spoke before the Ontario Fire & Casualty Insurance Agents Association at Toronto. He called attention to the fact that there are many local agency stockholders of fire companies but they seldom attend a meeting. He believes that the directors do not get the field sentiment and ideas as they should. He says that misunderstanding and disagreement are due to lack of knowledge and sympathetic understanding. Mr. Bruns said that he had attended agency meetings and heard companies denounced and, on the other hand, had attended company meetings and heard local agents castigated.

Too Many Organizations

Mr. Bruns believes that there are too many individual company groups or jurisdictional organizations. Company officials must meet in one organized group in New York on one day and in Chicago the next. The same men are divided into widely separated camps. He said in the agency ranks there is little real suffrage. There is no single great governing body for fire insurance and there is no great governing body for the agents. No group has the power to effectively and nationally discipline or legislate in a uniform manner.

Says Differences Can Be Adjusted

Mr. Bruns believes that differences can be adjusted. He says that men in various groups can meet in common friendship and achieve a common good. Therefore, the big problem in his mind is to devise ways and means for bringing groups together so that they can understand one another's problems and stop injudicious parading of family quarrels before the public eye.

He called attention to the statement made by Superintendent Conway of New York at the casualty convention in which he said that the insurance business lacked leadership. Mr. Bruns then continued:

Sign Proxies Perfunctorily

"About the first of the year and then following for several months, a great many thousand agents will receive from stock companies proxies asking them to delegate their vote as stockholders in these companies, to a small group of

(CONTINUED ON PAGE 39)

Missouri Agents Hold Gathering

**Nominating Report Not Accepted
—To Elect Officers by
Mail**

EDUCATION IDEA SPREADS

**Clyde Smith Tells of Work of National
Body—Woodsmall Represents
Field Men**

T. S. Ridge, Jr., Kansas City, president, Missouri Association of Insurance Agents, was in the chair at the annual convention in Jefferson City last week. Attorney-General Stratton Shortel welcomed the agents. He said the state government is very anxious to cooperate in every possible way with insurance agents and there is no desire to persecute or harass any corporation to gain cheap publicity. The state realizes that insurance is indispensable to the business interests of Missouri.

John F. Stafford of Chicago, western manager of the Sun, touched briefly on some of the subjects that are particularly interesting to the insurance fraternity at this time. He outlined the making of rates and emphasized the importance of public opinion towards the business. In his opinion the educational idea is gaining much ground. He touched briefly on some of the insurance laws of the various states and discussed taxation.

Draw Up New Constitution

Clyde B. Smith, Lansing, Mich., president of the National association, dwelt at some length on the work of the National association. Among other things, he said that a properly organized national body means that the interests of agents can be properly taken care of. He told of the work of the national body in assisting to stop the passage of the insurance code which was introduced in the District of Columbia. The suggested model insurance code did not meet with the approval of the national body, and therefore their support was not given to this bill. Mr. Smith told the Missouri agents that a new constitution was being drawn up and that it would be more workable and up to date.

Year's Activities Reviewed

Wilbur F. Maring, Jr., Kansas City, secretary of the Missouri association, gave a resume of the past year's activities. He said that since the state legislature was in session for such a long period during the past year there was not as much development work among the agents of the state as they had hoped for. During the legislative session the officers of the state association and other members throughout the state spent many hours at the state capitol and accomplished considerable for the agents.

At present the state association has 337 members. It is said that these members write about 70 to 75 percent of the total insurance business written in the state. It is expected that during the coming year upwards of 200 agents will be added to the roster.

Must Study Business

Following the luncheon, which was given to the members and visitors and guests by the Fire Underwriters Association of St. Louis and the Insurance Agents Association of Kansas City, Joseph F. Holland, deputy superintendent of insurance, introduced Henry Depping, assistant attorney-general of

(CONTINUED ON PAGE 23)

Nine Months Losses Reach \$244,229,000

The fire loss record of the United States and Canada continues on an upward trend, with the result that the nine months' figures for this year are already well past those for the same period of last year notwithstanding the decreases established in the first five months of this year, says the New York "Journal of Commerce." It continues: "The month of September again showed a bad increase, the losses amounting to \$21,422,000, as compared with \$17,182,800 in September of last year, an increase of over five million dollars.

"The nine months' fire loss record is \$244,229,000 for this year, as against \$227,061,600 for the same months of last year. While this waste of industrially created property is inexcusable, it should be remembered that the aggregate property values on this continent are steadily increasing from year to year, so that

the loss increase when compared to the values of property exposed to possible fire damage is not so serious as might be inferred from the loss figures. In fact, the fire loss ratio to property values is steadily decreasing, and this is reflected in the steady lowering of the average fire insurance premium rate.

"The comparative fire loss figures for the first nine months of the current year and the two preceding years are given below and show the upward spurt of the past four months:

	1927	1928	1929
Jan.	\$37,910,600	\$43,260,800	\$36,225,400
Feb.	26,285,000	41,105,400	26,872,400
Mar.	26,807,600	30,377,000	29,762,000
April	39,720,000	25,980,600	22,647,200
May	20,713,000	23,202,000	21,637,000
June	25,481,200	11,123,000	26,630,800
July	24,248,600	17,106,400	31,528,000
Aug.	24,299,800	17,723,600	27,504,200
Sept.	21,875,000	17,182,800	21,422,000
Total	\$247,333,800	\$227,061,600	\$244,229,000

Plan to Push Collection of Balances in Wisconsin

MILWAUKEE, Oct. 16.—The Wisconsin Fire Underwriters Association at its quarterly meeting in Milwaukee Tuesday, had the largest attendance at any meeting in its history and a 100 percent vote on important questions.

In opening the meeting, Paul E. Rudd, state agent for the Aetna and president of the association made a plea for cooperation of the members in the two principal subjects which will be pursued during the entire year, those of balances and mixed agencies.

The committee on balances suggested methods for the collection of delinquent balances and made a recommendation for a confidential list of chronic delinquents in order that such matters may be properly handled. The committee reported favorably on the recommendations made by C. W. Hutchinson, past president of the association, on his retirement last June, that the balance rule be changed and a registration be made of all members who have agreed to support this rule; also his recommendation for the establishment of an educational committee, "a squad of minute men who might be called at any time to carry on

Insurance Committee of U. S. Chamber in Session

The insurance committee of the Chamber of Commerce of the United States met in Columbus, O., this week in connection with the sessions of various officials and committees of the organization. T. F. Cunneen, manager of the insurance department, was in charge of the meeting. Among the matters considered were the interchamber health conservation contest, compulsory automobile insurance, the safety responsibility bill framed by the American Automobile Association, marine insurance and special insurance taxes, but no definite action was taken on any of the questions. Some of them were referred to sub-committees for further consideration, reports to be made later. Ten members of the committee were in attendance.

the educational campaign of fire insurance.

Frank R. Daniel, chief engineer of the Wisconsin Inspection Bureau, spoke at the meeting on "Hazards of Spray Coating," dealing with the hazards from various types of spray coating, and giving demonstrations.

CONDENSED NEWS OF WEEK

Percy H. Goodwin, chairman of the executive committee of the National association, discusses problems facing the agency system today. **Page 3**

Netherlands joins Caledonian group and moves United States head office to Hartford. Robert R. Clark becomes United States manager. **Page 3**

Frederick V. Bruns, president of the Excelsior, and a prominent local agent at Syracuse, N. Y., advocates local agent stockholders attending annual meeting of stockholders. **Page 3**

Western Fire of Fort Scott, Kan., opens central department office in Chicago, with G. W. Brinsmaid as manager. **Page 14**

Indiana Association of Insurance Agents adopt new constitution and code of ethics. Incorporation plans approved. Jenkins reelected president. **Page 5**

Commissioner Sullivan charges blame of bad representation to companies and commissioners in talk before annual meeting of New Hampshire Association in Manchester. **Page 14**

Missouri Association of Insurance Agents holds annual meeting at Jefferson City. **Page 4**

Fire losses for the first nine months amount to \$244,229,000. **Page 4**

Indiana department forbids issuance of non-assessable policies by reciprocals. **Page 47**

Washington agents elect officers at annual meeting in Everett. **Page 14**

Eighteen companies insuring transport by truck get injunction against Texas deposit requirement. **Page 12**

Oklahoma agents hold annual meeting in Oklahoma City. **Page 4**

Executive committee of National Bureau of Casualty & Surety Underwriters approves reorganization of plate glass division. New manual expected Dec. 1. **Page 47**

Further steps taken to curb surety bond rate evil at New York meeting of Surety Association. **Page 47**

Spencer Welton, vice-president of the Union Indemnity, speaks before the Ontario Fire & Casualty Association. **Page 42**

The development of casualty lines is explained by William J. Welsh, Kansas City agent. **Page 40**

E. J. Schofield speaks to Indiana agents. **Page 48**

Justice Hodgins of Canada on extensive tour in east gathering information on auto liability rates for province of Ontario. **Page 52**

Illinois attorney general holds stock of casualty companies may be assessed. **Page 50**

National Association of Accident & Health Managers Clubs launched. **Page 50**

Many Speak At Oklahoma Meet

**Good Program at Seventeenth
Annual Convention of Association of Insurers**

MEETING WELL ATTENDED

**E. R. Ledbetter in the Chair—Jackson
of St. Paul Talks on Inland Marine
Insurance**

By W. A. SCANLON

OKLAHOMA CITY, Oct. 16.—The local agents of Oklahoma, members of the Oklahoma Association of Insurers, held their seventeenth annual convention at Oklahoma City Tuesday and Wednesday of this week. For many years the meetings of this association have been well attended and enthusiastic gatherings. This year was no exception.

E. R. Ledbetter, Oklahoma City, president of the state association, presided at all of the sessions and conducted himself in a most satisfactory manner.

The Tuesday morning session was an interesting one. Following the address of welcome by W. D. Estes, secretary of the Oklahoma state chamber of commerce, President Ledbetter gave an account of his stewardship as president during the past year. His report was comprehensive. He made some worthwhile observations and some practical suggestions to those present.

Told of Inland Marine

A speaker who brought much practical information to the Oklahoma agents was A. B. Jackson, St. Paul, Minn., of the St. Paul Fire & Marine, who addressed the meeting on "Inland Marine Insurance."

J. G. Read, insurance commissioner of Oklahoma, who was scheduled for an address Tuesday morning, was unable to attend the meeting. In his absence A. L. Roark, secretary of the insurance board, gave a word of greeting to the agents. W. S. Bizzell, of the Oklahoma Inspection Bureau, read a paper which was prepared by C. T. Ingalls, manager of the bureau. Mr. Ingalls could not attend the meeting.

Clyde B. Smith Talks

Clyde B. Smith, Lansing, Mich., president of the National association, was the principal speaker Tuesday afternoon. He brought an interesting message from the national body and spoke of the activities and accomplishments of the national organization.

"Accident and Health Insurance" was discussed Tuesday afternoon by Rollin B. Smith, Oklahoma City, president of the American Fidelity Insurance Company.

J. S. Adams, Oklahoma City, just previous to the close of the Tuesday afternoon session, talked on "Legislation." Mr. Adams did considerable work during the recent session of the legislature in Oklahoma. He and his committee were successful in blocking several bills which were presented which would have been harmful to the insurance business.

Wednesday morning S. H. Stewart, Tulsa, gave his annual report as secretary.

A paper was read by George Ade Davis, Oklahoma City, vice-president, Oklahoma Gas & Electric Company. His subject covered "Public Relations."

J. S. Pearce, Tulsa, led a discussion on the important subject of "Fidelity and Surety Bond Production." Another

(CONTINUED ON PAGE 23)

Hoosiers Adopt New Constitution

Indiana Association Decides to Incorporate and Grade Membership Dues

WYSONG EXPLAINS LAW

Jenkins Re-elected President—Chauncey Miller Speaks—Adopt New Code of Ethics

NEW OFFICERS ELECTED

President—A. L. Jenkins, Richmond.
Vice-President—Alexis Coquillard, South Bend.
Secretary-Treasurer—J. A. Searles, Marion.
Chairman Board of Directors—F. A. Tedford, Lafayette.

The Indiana Association of Insurance Agents, at its annual convention held in Muncie last week, adopted a new constitution and by-laws carrying a graded scale of membership dues. It was also decided to incorporate and adopt a code of ethics patterned after that about ready for final adoption by the National Association of Insurance Agents. Approximately 200 attended the meeting.

At the opening business session on Friday morning President Atwood Jenkins announced that the reports of the officers and committees had been printed as a part of the program and would not be read, thus giving more time for the program of addresses.

Commissioner Clarence C. Wysong was the first speaker and gave a very well received address on the agency qualification law passed by the last legislature. The new law will lead to betterment of insurance conditions in the state, he predicted, and will remove some of the things that have been troublesome in the past. It will need some polishing up in the future, he said, and will be of no value unless it is properly administered by the commissioner.

No Appropriation Made

"It will not be my endeavor to put out in the cold part time men," he said. "The time has not come when the law shall say how much time a man shall put in." No appropriation has been made by the legislature to cover the increased detail work that will be necessary to handle this work by his department, and with present help, it would be a physical impossibility to pass on the 12,000 applications individually that will be received around the first of the year.

"I have absolutely made it a rule," he said, "that a man who is indebted to his companies for other than current accounts will not be licensed." He commented on the fact that since May, when the law went into effect, the applications for solicitors' and brokers' licenses have been merely nominal which indicates that many are now operating in violation of the law.

Speaks on Ethics

George W. Fishing of Fort Wayne spoke on "Ethics in the Insurance Business." "All too often ethics in the insurance business," he said, "is more on a plane with ethics among high-jackers. And that goes for companies and field men as well as for local agents."

"The agent who does nothing but attack his competitors' business is surely short-sighted and lacking in initiative. If one agent steals a line from another except upon a legitimate improvement in service he has accomplished nothing

(CONTINUED ON PAGE 39)

Again President



ATWOOD JENKINS
Re-elected President of the Indiana Association of Insurance Agents at Muncie Meeting

Greene Succeeds Klinko in National Association Post

NEW YORK, Oct. 16.—Bartlett Greene is now assistant secretary of the National Association of Insurance Agents, having assumed the office on Oct. 14 in succession to A. A. Klinko, recently resigned to join Corroon & Reynolds of this city as publicity director. Mr. Greene is well known to the insurance fraternity, having been identified with the business for the past six years, first with the Fidelity & Deposit and later with the New York Indemnity, of which latter company he was vice-president. After a business association of close to 18 years covering various interests, Spencer Welton, vice-president of the Union Indemnity, says of Mr. Greene: "You will find him always thoughtful, considerate and a real acquisition to the National association's home office organization."

A native of Philadelphia, Mr. Greene received his early education in the schools of that city, subsequently graduating from Brown University. In 1911 he became secretary and sales manager of the Sterling Tire Corporation of Rutherford, N. J., of which Mr. Welton was then president. When the latter associated with the Fidelity & Deposit, Mr. Greene too joined that corporation, first at Chicago and subsequently at its home office in Baltimore, where he engaged in agency work. He followed Mr. Welton to the New York Indemnity several years ago when Mr. Welton was elected its president and continuing the connection until his retirement to join the staff of the National association. While with the New York Indemnity he was successively its assistant secretary, eastern agency manager, assistant agency superintendent and vice-president.

Pacific Ship Grounded

VICTORIA, B. C., Oct. 16.—The Empress of Canada was grounded on the rocks in Homers Bay, near Albert Head in the Straits of Juan de Fuca, Monday. It is estimated that \$200,000 damage was caused by the crash. The passengers were removed and taken safely to shore. The vessel which is valued at \$8,000,000 was built on the Clyde in Scotland in 1922. It has 21,517 net tonnage and is one of the largest liners plying the Pacific.

Have a personal copy of The National Underwriter sent to your home.

Feiker Tells Function of Trade Paper Advertising

Fred M. Feiker, managing director of the Associated Business Papers, the organization of business, trade and technical papers which are also members of Audit Bureau of Circulations, spoke before the Insurance Advertising Conference at Cleveland on "Advertising for the Next Hundred Billion." Mr. Feiker is in the top rank of advertising and publishing experts, at one time having been editorial director of the McGraw-Hill publications and at various times served the government in making special studies and reports. At present he is chairman of the advisory committee of the coming United States census, which will collate information of special social and economic significance in connection with the taking of the regular census. Mr. Feiker speaks with authority for the business, class and technical press and is qualified to speak on its place in the industrial and business world. The more enterprising insurance publishers have been studying from a new viewpoint the place which the insurance papers should occupy and Mr. Feiker's talk at Cleveland will be interesting as showing how an outside business publisher views the special problems of the insurance press. Mr. Feiker said in part:

"I think it is fair to say that no thoughtful business man longer questions the economic place of advertising as a great tool for the development of industry and trade today. In those fields of business which depend for their expansion on the knowledge of their customers of the value of services and commodities, advertising has proved itself one of the great forces in sales. I shall not take the time to present the details of this development in the United States. You have only to review the pages of the technical, trade and specialized publications, to analyze the content of the general magazines and the newspapers, to listen to the radio and to watch the flashing billboards to know that practically all the great industries have put advertising to work during the last 10 years as never before in the history of any country.

Must Have Sales Stations

"For the purposes of this discussion I should like to divide the subject you have given me into two broad parts; first, the programs of advertising having to do with the development of public opinion with regard to insurance, and, second, those programs of advertising which can be designed to correlate the development of new public interests with the trade interests, the making of trade opinion.

"Business men in approaching the sales problem of their service or commodity today are recognizing the essential need of what for a better term I may call the 'follow-through factors in selling.' It is becoming increasingly evident that if customers are given new ideas about established services or commodities, or brought to see the value of new products and services to take the place or supplement older services and commodities, it is essential that the customer have a place to go to buy. Perhaps more important than this, it is essential that the merchant to whom he goes to buy or the man who comes to him to sell know as much about the value of the commodity or service as the customer himself. Business today must study and analyze and decide on appropriations for advertising in order to make sure, as never before, that the follow-through is as thoughtfully worked out as the central idea. National ideas nationally expressed are of little use unless put to work locally by the trades or by the salesmen.

"We live in a whirl of new ideas, of which only a fraction each year are car-

ried out. One of the necessities in applying advertising today is to think clearly of the objectives, of the methods, of the values in any advertising undertaking.

"I have made it clear, I think, that there are two kinds of opinion in which business men are interested. One is what we call 'public opinion,' in which the general press, Congress, presidents and statesmen, pulpit, and educators are factors.

"Underneath the making of public opinion, there is just as surely what we may call a 'trade opinion.' It is no accident that President Hoover while Secretary of Commerce met regularly with the editors of the trade and industrial press to discuss with them the problems of industry and trade in terms of the making of trade and industrial opinion. Under the sponsorship of the National Conference of Business Paper Editors, which is affiliated with the Associated Business Papers, the machinery for the molding of business trade and technical opinion has been established with high ideals of service and with practical working programs for accomplishment.

Broad Factors Named

"As I have made clear in what I have presented as a background for a more intimate discussion the broad factors affecting advertising programs, I may summarize them as follows:

"1. Advertising today is recognized as a force for profitable selling in practically every great field of industry.

"2. Advertising to be successful must be related to the machinery for the distribution of the ideas or the commodities as well as to the final consumer.

"3. Our social and economic life today runs at a high rate of speed as compared with 10 years ago. To quote a friend, 'The word of the month is "The new tempo in business."'

"4. Advertising to be successful today, therefore, must be looked at through new eyes. Tradition cannot count. Many conceptions of values must go.

Spokesman of Business

"The editor of a business publication is in a unique position. He is both a part of the procession of his trade or industry as a member of it and he has the opportunity also to look out upon the procession from his office and see in what direction it is going as a whole. Gerard Swope, the president of the General Electric Company, has said: 'Business can have no better spokesman than the technical and business press.' President Hoover, writing for the anniversary number of a member publication of the Associated Business Papers,

(CONTINUED ON PAGE 23)

Warns Against Filling Gas Tanks With Motor Running

All Detroit filling station attendants have received strict orders from Gabriel S. Goldwater, fire marshal, forbidding them to place gasoline in the tank of any car while the motor is running or the occupants smoking.

"Few people realize," Mr. Goldwater stated, "that a single gallon of gasoline properly mixed with air has the explosive force of 75 pounds of dynamite. Gasoline fumes are three times heavier than air and spread close to the ground wherever a gasoline tank is filled. A lighted match or a cigarette several yards away may cause a terrific explosion."

The Distinctiveness of the Trinity Fire Is Primarily Attributable to its Modern Conception of Fire Insurance



**IN THE
MODERN TEMPO**

Within the last decade new merchandising methods have virtually changed the complexion of every progressive business. The Trinity Fire makes fire insurance no exception.

Cash Capital one million dollars



New Department Sells Novelties

Special Service for Insurance Men in Selecting Desirable Advertising Gifts

VALUE WELL RECOGNIZED

In Line With Broadcast of Radio Programs Presented With Compliments of Donor

The field of advertising specialties or novelties has grown tremendously in the past few years. It is not possible for an insurance man to see all this field has to offer, and pick the remembrance or gift that is especially adapted to his needs, unless he can get the benefit of the experience of someone who has gone over the entire field. New specialties are coming out all the time and there may be something that would strike him as just what he wants but of which he has never heard.

THE NATIONAL UNDERWRITER is making a complete survey and study of this field as applied to insurance needs and this week announces its new "Advertising Specialty Department." In this department it will attempt to give a specialized service exclusively for insurance men in the purchase of advertising novelties and the building of goodwill among customers and prospects by "gift" advertising. The department will be confined to articles of proved merit, that is, none will be handled which have not been carefully investigated as to their value or which have not been proved out as successful by actual experience.

Value Is Recognized

The value of good will or "gift" advertising has long been recognized by agents everywhere and those who could afford it have profited from its intelligent use. The agency system in insurance, while it depends primarily on real insurance service, adds the valuable element of personal contact, friendliness and good will perhaps as much or more than salesmanship in any other business.

The advantage of an insurance man buying his advertising novelties through this department will be that a complete line will be carried and he will have the benefit of a survey of the entire field before choosing the particular novelty which he feels is best adapted to his purpose. It will also be the purpose of the department in the sale of these novelties to give detailed specifications and plans and ways in which they have been successfully used by other insurance men. Bulletins will be issued from time to time showing the application and uses of the various classes of novelties handled.

Samples Will Be Sent

Much of this good will advertising will be especially gotten up for insurance men by the various manufacturers under the direction of THE NATIONAL UNDERWRITER. A little later a complete catalogue will be issued showing virtually everything handled. For the time being, the plan will be followed of furnishing samples and quoting prices on any novelties in which the agent is especially interested. The actual cost, and in some cases less, will be charged in advance for samples but the plan will be followed of returning the cost of the samples after they have been inspected and returned. This is a practice generally followed by advertising specialty houses as the cost of samples is so great

Speaks in Canada



FREDERICK V. BRUNS, Syracuse, N. Y.

Frederick V. Bruns, president of the Excelsior of Syracuse, and a well known local agent in that city, spoke this week before the Ontario Fire & Casualty Insurance Agents Association at Toronto urging that companies, agents and all in the business get together for a better understanding.

that they cannot usually be furnished free.

The department will not only furnish specialties in "retail quantities," but will also enter into arrangements with companies and other large users who in turn collect the orders from their agents, at wholesale rates, thus following the system of most large specialty houses.

There will be a special department for helping companies and managers to select suitable prizes for agency contests. A complete survey has been made of this field and many valuable suggestions can be furnished to those wishing to put up prizes for business contests, etc.

Seasonable Specialties

Many of the specialties are suitable for certain seasons of the year. The baseball season, the football season, the golfing season, the Christmas-New Year's season, the opening of school—and many others, make novelties of particular value at certain times of the year. These will be presented at the proper time.

Each of the 20 traveling field men of THE NATIONAL UNDERWRITER will be equipped with a sample case of advertising specialties, and there will also be a sample cabinet on exhibition at the nine offices of the company throughout the country.

The principle of good will advertising is undoubtedly sound in business under conditions that exist; indeed all advertising is nothing more or less than good will advertising in some form. Consider the latest form, the radio, which presents an hour or a half hour of good music or entertainment as a gift to the audience with the compliments of the advertising donor, for the purpose of creating good will. For years insurance good will advertising was confined to the inevitable calendar and blotter, just as the paint companies always give out cloth caps for journeymen painters and the lumber companies carpenters' aprons. Now the field is widely diversified and a complete display of novelties offered would look like a 5 and 10 cent store or a Sears-Roebuck catalogue. The real business building possibilities through this channel are well worth analysis and study by the up-and-coming insurance salesman and THE NATIONAL UNDERWRITER has for some months had a special man on this work.

THE advertisement reproduced on this page, and which appeared in The Saturday Evening Post, September 21st, is one of a series which the Fire Association Fleet is running every fourth week in that publication. The next appears in the issue of October 19th.

These advertisements will emphasize, among other things, the long and honorable record back of the Fire Association Fleet and its nation-wide reputation for prompt and full payment of claims without quibbling.

This is one of the great insurance organizations of the country today and the more the general public learns about its high standing and fair dealing, the more people will select it as their insurance company. As the October 19th advertisement says, "It is the policy behind the policy that counts."

The main object of this advertising is to increase the prestige of local agents of the Fire Association Fleet in their respective communities and open new doors to them. Their ability, experience and willingness to give service are always stressed and the result is bound to be better business.

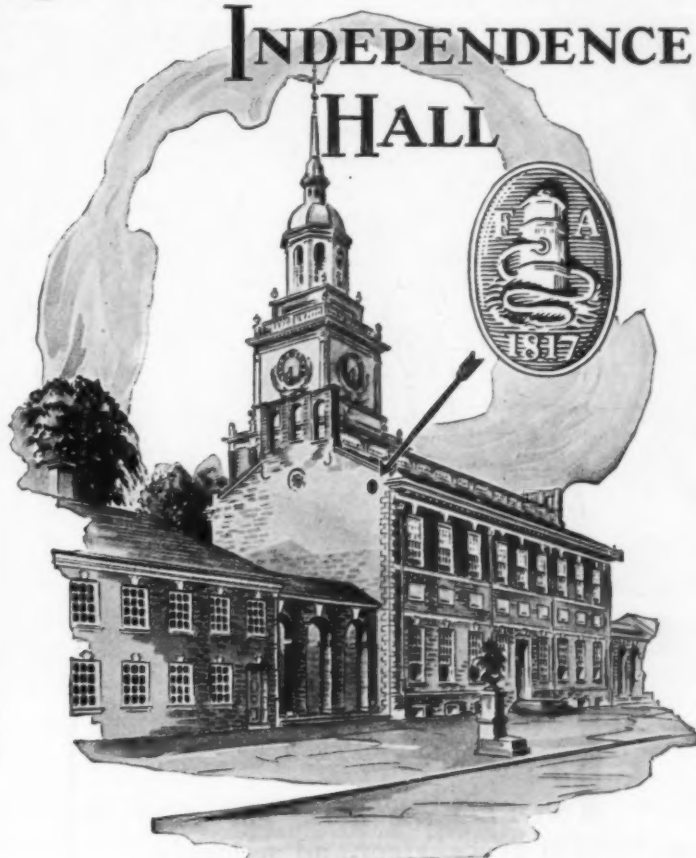
The Fire Association Fleet

Home Office: 4th and Walnut Sts., Philadelphia

Dept. Offices: Atlanta, Chicago, Dallas,
San Francisco, Montreal, Havana

Fire Association of Phila. Constitution Indemnity Co.
The Reliance Insurance Co. Victory Insurance Co.

The **COMPANY that Insured** **INDEPENDENCE** **HALL**



is one of the great insurance organizations of the country today—The Fire Association of Philadelphia and its affiliated companies.

Thoroughly modern in its methods, proud of its century-old reputation for fair dealing, the Fire Association offers you the last word in service and assured satisfaction.

Representatives of the Fire Association Fleet are men of the highest type, imbued with the traditions of their company and supported by its 112 years of experience. It will pay you to make the acquaintance of the one in your locality.

The emblem shown in this advertisement is the old fire mark of the Fire Association of Philadelphia and iron plates of this design are imbedded in the east and west walls of Independence Hall. Fire companies in the old days set such marks in the walls of buildings which they insured.

The Fire Association Fleet Philadelphia, Pennsylvania

Almost every kind INSURANCE excepting Life

The Reliance Insurance Co.
Fire Association of Phila.



Constitution Indemnity Co.
Victory Insurance Co.

EVERY JUST CLAIM PAID IN FULL SINCE 1817



Diana LED THE FIELD

INDEED she did. For this goddess, ideal of grace, vigor and maidenly modesty, was queen of the chase. With her bevy of buxom companions equipped for the hunt she might be seen scouring hill and dale, marsh and mountain. Strangely enough her unerring bow and gleaming arrows seldom sought their marks in the animals of the woods, for Diana was guardian of wild beasts and let fly those death darts only to atone for injury to her sacred herds, or personal insult.

DIANA was the fair, fleet and gracious messenger of the forests, her own domain. There she ruled supreme among her subjects, and meted out justice quickly and truly.

In his field the Home Special Agent visits Home Agents as the Company's direct expression of service. He performs quickly and surely.

The HOME

Wilfred Kurth, President



NEW YORK

Cash Capital—\$18,000,000

CHICAGO NEWS

VOTE ON NOMINATION SOON

The executive committee of the Chicago Board will meet Oct. 24, among other matters to vote upon nominations of three men to serve as executive committeemen for one-year terms. The nominating committee approved the names of S. H. Quackenbush, western manager of the Westchester; C. Marshall Rogers of Rogers & Kelly, and Allan I. Wolff of Klee, Rogers, Loeb & Wolff, to be voted on.

S. M. Buck, a Class 1 member of the board several years ago, will be voted on to succeed W. A. Chapman, long with the Fireman's Fund, who has retired, and thus relinquishes his membership in the board.

* * *

BUREAU MANAGERS MEET

Managers of state actuarial and inspection bureaus in Western Union territory held a one-day conference at Excelsior Springs, Mo., Monday, the regular semi-annual meeting. J. V. Parker, manager of the Western Actuarial Bureau, and R. W. Hobbs, assistant manager, attended.

Discussion of problems of the managers developed nothing of more than routine importance, it was said. Nothing new has developed in regard to new rate filings in Kentucky, it was said. There probably will be no action until some time in November, or after the fall elections.

* * *

TO EXPLAIN RULE BOOK

Henry L. Lindholm of the Western Actuarial Bureau will explain the many changes in rules and practices to be found in the new Illinois rule book at the monthly meeting of the Association of Fire Insurance Examiners of Chicago at the Fort Dearborn hotel Thursday night. Mr. Lindholm is the man who did most of the manual labor involved in drafting the many rule books in Western Union territory.

* * *

MANY RULE BOOKS OUT

Rule books have been issued now in 10 states under the jurisdiction of the Western Union and the Western Actuarial Bureau, out of the 18 states, including the Rocky Mountain territory. These rule books are for Illinois, Ohio, Iowa, Indiana, Michigan, Minnesota, North Dakota, Oklahoma, South Dakota and Nebraska. Other rule books are in process of formulation and printing and will be distributed from time to time. They are practically identical in all states in the jurisdiction except for minor changes due to differences in state laws. The rule book for a state not far from Illinois contains one innovation not to be found in the rules for other states. This is in the nature of an experiment and until its success or failure is demonstrated the officials desire as little publicity as possible. In this particular case it is feared that if wide publicity were given the preference shown to Iowa all other states would demand a similar privilege.

* * *

STAFFORD SPEAKS TO CLUB

John E. Stafford, western manager of the Sun, spoke at the meeting of the Insurance Club of Chicago Tuesday evening on "The History and Organization of Fire Insurance." He told of the establishment of the first practical and efficient fire brigade in Rome in 69 B. C. "In the 13th and 17th centuries," he said, "there is found to have been a more systematic plan among the communes, mutual in character, which levied assessments for the purpose of maintain a fund to provide for members for suffered losses through calamities of various kinds."

Fire insurance as it is understood today, said Mr. Stafford, dates from the London fire in 1666. At that time a man named Nicholas Barbon individually offered insurance against fire. He oper-

Tested Method No. 11

"The Best Chauffeur in Washington"



(Int. Photo)

Donald Dunham believed that George was "The best chauffeur in Washington." As a matter of fact, George did enjoy that enviable reputation.

"It is more economical," said Mr. Dunham to the Glens Falls Agent, "to pay George more money—which I've got to do if I keep him—than to continue paying premiums on collision insurance. I've never had even a dented fender, and so long as I keep George, I never will. So, Old Man, I have definitely decided to drop my collision insurance."

In reasoning thus, this car-owner—as do

many thousands of others—forgot that there are *other* chauffeurs driving *other* cars.

That fact was brought home to him, however, a few days after he had cancelled his collision coverage.

His car, George-driven though it was, met a flivver coupe "radiator to radiator". The junkman offered \$250 for what was left of the \$3,000 sedan.

Mr. Dunham could not blame the Glens Falls Agent, and he couldn't fire George because the accident was not his fault. But he had learned an expensive lesson and he now carries full collision coverage on his new car.

MORAL: Trying to economize on insurance is the wrong idea of thrift.



CHICAGO BRANCH OFFICE
175 West Jackson Boulevard

NEW YORK BRANCH OFFICE
84 William Street

SAN FRANCISCO BRANCH OFFICE
354 Pine Street

ated in a small way and computed premiums on the basis of annual rental. This crude method continued until the establishment of the Friendly Society in 1683, which operated on a mutual basis.

He told of the founding of the Sun Insurance Office by Charles Povey. The first policy issued simply bound the company so long as the assured should "duly pay or cause to be paid the sum of 3s. a quarter," to "pay and satisfy to" the insured, within 10 days after the expiration of any quarter in which he should suffer by fire, his whole loss, if there were in bank a sufficient sum to satisfy all the claims of the quarter; otherwise a proportionate share. Some of the stipula-

tions of this first policy form the basis of the fire insurance contract of today.

* * *

ATLAS LINEUP IN CHICAGO

In giving the new lineup in the western department of the Atlas in Chicago last week, an error was made in the title of Mr. Hall. E. M. Schoen is manager and R. F. Woltersdorff is general agent. Arthur S. Hall is assistant general agent.

* * *

PREPARE FOR KANSAS CASE

Over 100 companies have filed their depositions in the Kansas rate case, it

EDUCATIONAL SECTION FOR AGENTS

Preceding the casualty section in this issue there is an educational section, which will be found especially helpful to agents.

was announced this week by Robert J. Folonie, of Hicks & Folonie, Chicago attorneys for the companies in the litigation. The experience of the companies in Kansas is being taken in depositions. The United States Supreme Court was to name a commissioner this week to take the evidence, and accord-

ing to Mr. Folonie, the case probably will be tried in January or February.

* * *

STOKER WITH NEW BANK

Emory Dee Stoker, who was associated with his father for about a year in the insurance and reinsurance business, will be an assistant cashier of the Terminal National Bank, opening Nov. 1 in the new Daily News building. The Terminal National is one of the largest banks outside the loop, starting with invested capital of \$1,312,000, largely over-subscribed.

* * *

INSURANCE STOCK COMMENT

In commenting on the insurance stock situation, Warner S. Conn of Lewis-Dewes & Co., Chicago investment house, says:

"We are extremely well pleased with the performance of the insurance stock market over the past week. In the face of a generally unsettled feeling in the general market, the trend in the insurance stock market has been decidedly upward. With the exception of Connecticut General there have been no phenomenal advances, but gains were registered right down the list.

"Connecticut General sold up 180 points on the strength of a recommendation from the board of directors that the capital stock be reduced in par value from \$100 to \$10 and the authorized capital increased from \$1,000,000 to \$3,000,000.

"Our satisfaction over the performance of the market is due to the conclusive proof it affords that the market is completely free from speculative operations, thus making a favorable situation for the investor.

"Our typical list follows:

	Oct. 8	Oct. 15	Change
Aetna Fire	775	775	...
Aetna Life	138	139	+1
Boston	1025	1000	-25
Connecticut Gen. ..	2300	2480	+180
Globe & Rutgers ..	1570	1580	+10
Hartford Fire	1070	1065	-5
National Fire	96	97	+1

* * *

Leroy Beardsley, who has been in the casualty underwriting department of Bowes & Co., Chicago, has gone into the production end and is attached to the office of Rollins, Burdick, Hunter Company.

* * *

The Thor L. Swanson agency has moved to A-936 Insurance Exchange, Chicago.

Await Committee Report

Pending receipt of a report from the committee of the Eastern Underwriters Association named some time ago to consider advisability and practicability of requiring members also to hold membership in the Tourist Baggage, Parcel Post and Jewelers Floater conferences, no action will be taken by the later bodies upon the several matters up for review at the meeting on Oct. 14. It is understood the E. U. A. committee will be ready to submit its findings within a week or ten days.

Will Handle Reinsurance

Underwriters Associates, Inc., of New York City has been appointed general agent to negotiate facultative and treaty reinsurance for the Majestic Underwriters of the Chicago Fire & Marine and Presidential Fire & Marine.

Hynes to Represent Iowa

The Iowa Association of Insurance Agents has selected John Hynes of Snider, Walsh & Hynes, Davenport, as its representative on the Western Union-Bureau conference committee. Mr. Hynes is a member of the Iowa group's executive committee.

Will Inspect Superior, Wis.

The Wisconsin State Fire Prevention association will hold an inspection at Superior Oct. 23-24. This will be one of the biggest inspections on the association's program this year. Harry Rogers, the well known "fire clown," will be one of the big features.

"Any Agent Who Can Qualify"

One of our agents, writing to President Hawley, said: "We want to recommend the Ohio Farmers Insurance Company to any agent who can qualify, and assure him that he and his clientele will never regret his representation."

We might shout the same words from the rooftops and they would be considered mere advertising blurb. But when this man (name on request) says it, you may be sure it is a conservative statement of fact.

This man has served and been served by the Ohio Farmers for over a score of years. He is active in agents association affairs. He is a man of importance in his community. What he wrote is significant because it represents, not an exceptional case, but the typical opinion of Ohio Farmers agents about their Company.

If you want a Company you will never regret, ask for the Ohio Farmers.

OHIO FARMERS INSURANCE CO.

Organized 1848

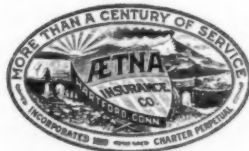
LeRoy Ohio



The Ohio Farmers Insurance Company owns and operates the Ohio Farmers Indemnity Company, a casualty insurance running mate.

IMAGINATION

Today's marvel is tomorrow's commonplace. It requires imagination to do business in these vigorous times, whether you are erecting buildings or writing insurance. Constantly looking ahead — anticipating tomorrow's needs today — is what keeps the companies of the Ætna Fire Group in the fore.



ÆTNA INSURANCE COMPANY
THE WORLD FIRE AND MARINE INSURANCE CO.
THE CENTURY INDEMNITY COMPANY
HARTFORD • CONNECTICUT

Quite naturally agents of these progressive companies place a high value on their Ætna Fire Group connections.



An open letter of recommendation to three million Alliance prospects



THE ALLIANCE INSURANCE COMPANY OF PHILADELPHIA

Head Office: 1600 Arch Street, Philadelphia

CHICAGO
209 W. Jackson Blvd.

SAN FRANCISCO
231 Sansome Street

ATLANTA
8th Floor, Hurt Bldg.

New Lloyds Is Organized in Chicago by Linus Long

LIMITS MANAGEMENT RETURN

American Preferred Risk Starts With
Selected Board—Operates on Di-
rect Agency Basis

A new Lloyds, the American Preferred Risk Underwriters, has just been launched in Chicago by the man who organized what now is the largest organization of its sort in America, Chicago Lloyds.

Linus Long, vice-president and general manager of United States General Underwriters, management company for the new Lloyds, has incorporated a restriction in the American Preferred Risk which is calculated to inspire confidence in his organization, namely that of limiting the underwriters to 10 percent of the gross, on which they must pay the entire cost of management including salaries, office expenses and all incidentals.

Direct Agency Basis

The American Preferred Risk is going on a direct agency basis at standard rates, Mr. Long says.

It will write both fire and casualty insurance under a plan which Mr. Long says is basically like that of London Lloyds, but with significant changes which he has evolved to strengthen the organization. The basic difference is that each underwriter has deposited approved securities under a trust agreement in a guaranty fund with the Straus National Bank & Trust Co. of Chicago, the fund being completely under the supervision and control of the state department and being in addition to operating capital, reserves and all other resources.

This guaranty fund, which Mr. Long announces is starting at \$500,000, can not be used by the management company for its own purposes and is "non-manipulative."

(CONTINUED ON PAGE 45)

Heads New Lloyds



LINUS LONG
Vice-President and Manager
United States General Underwriters

Get Injunction Against Rule for Texas Deposit

AUSTIN, TEX., Oct. 16.—The Fire Association and eighteen other insurance companies obtained a temporary injunction Tuesday in the 53rd district court here restraining the railroad commission from enforcing its order requiring insurance companies writing cago insurance motor trucks permitted to do business in Texas to deposit with the state treasurer \$50,000 in cash or securities. The injunction also restrains any motor truck company from cancelling its insurance policy in response to the commission's orders to put up

(CONTINUED ON PAGE 45)

Sidelights on the Missouri Meetings

By W. A. SCANLON

John F. Stafford, manager western department of the Sun, who was a speaker at the annual meeting of the Missouri Association of Insurance Agents at Jefferson City, made the trip from Chicago against the wishes of his physician. Mr. Stafford recently underwent an operation in Chicago. Mr. Stafford is one of the most popular of the Chicago managers. He has many friends in the agency ranks. He traveled in Missouri in 1895.

The meetings of the Missouri Insurance Day and the morning session of the agents meeting were held in the house of representatives hall at the state capitol. This proved to be an ideal meeting place. The speakers mounted the rostrum occupied by the speaker of the house during the legislative sessions. The acoustics were excellent and those attending were afforded the comfortable chairs used by the members of the legislature while in session.

George H. Markham, St. Louis, one of the wheel horses of the Missouri association and former president of the National association, was unable to be present this year.

Much favorable comment was heard on the address of Ray DuBoc, president of the Western companies of Fort Scott, Kan., who spoke at the Missouri Insurance Day gathering. Mr. DuBoc was drafted just a few days before the meeting. In discussing "The Fire In-

urance Business," he brought out some interesting material. He did not refer to notes. He is possessed of much oratorical ability. He kept his audience interested to the very end of his speech.

T. S. Ridge, Jr., Kansas City, president of the Missouri association, who presided at all sessions of both meetings was presented with some silverware in form of a testimonial from both the fire and the life insurance men present.

Most of those in attendance took advantage of their presence in the state capital and visited several of the state offices. The insurance department naturally was visited by a large number of insurance men.

One Kansas City delegation chartered a special Pullman car for the trip to Jefferson City.

R. R. Clark, western manager of the Bankers Indemnity at Chicago, and S. S. Smith, assistant manager, were in attendance.

Henry I. Reiman, assistant secretary of the American Central of St. Louis, represented his company at both meetings.

W. J. Rodger, secretary of the St. Louis Underwriters Association and former secretary of the Missouri Association of Insurance Agents, was on hand for every session.



A car that is not completely covered with insurance is literally a mortgage upon the home—

SELL THE
UNIVERSAL PERFECT
PROTECTION POLICY

PERFECT PROTECTION

We will send you complete information
on this SPECIALIZED SERVICE

Covering

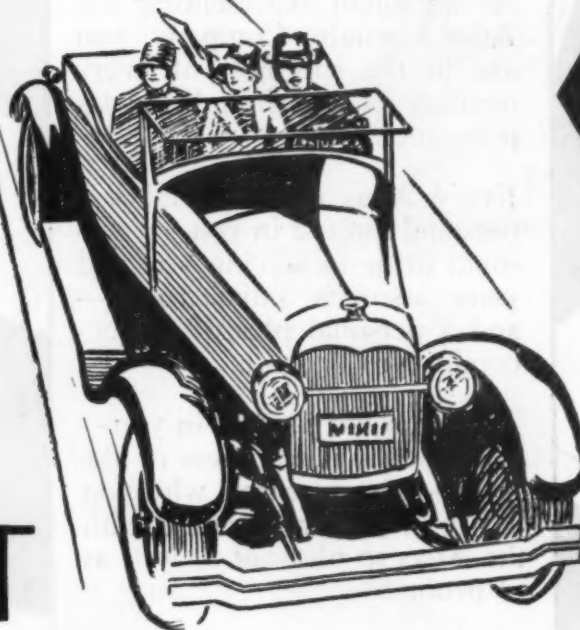
Fire, Theft, Collision,
Plate Glass, Public
Liability, Property
Damage, Tornado, and
Hail.

The Policy that sells itself.

Attractive Agency Openings.

Write us today.

ONE
POLICY
FOR ONE
PREMIUM
IN ONE
COMPANY



UNIVERSALIZE

YOUR

AGENCY

A WORLD OF PROTECTION
UNIVERSAL
AUTOMOBILE INSURANCE
A SPECIALIZED SERVICE
COMPANY
DALLAS
TEXAS

YOU ARE IN THE SPOTLIGHT

As an agent representing the Atlas Casualty Company, you are in the spotlight of every member of the friendly Atlas personnel.

Every Atlas executive takes a personal interest in you—a personal pride in serving you and your assureds satisfactorily—and a personal pleasure in becoming your friend.

This personal interest in you—this sincere friendliness of the Atlas—is one reason why you will find your connection with the Atlas so pleasant as well as so profitable.

Atlas
Casualty Company
EXECUTIVE OFFICES
Fort Wayne, Indiana

Operating in Indiana, Illinois, Ohio
Michigan, Missouri and Pennsylvania



Sullivan Says Companies and States Are to Blame

BAD REPRESENTATION IS UP

Commissioner Absolves Agents at Annual Meeting of New Hampshire Association—Old Officers Re-elected

Commissioner John E. Sullivan told members of the New Hampshire Association of Insurance Agents in annual session at Manchester last week that there are not too many qualified agents and if there are "too many bad ones the companies are most to blame, and the commissioners of the various states next."

He declared the American agency system is on trial, but so are the professions of law, medicine and education.

"The American agency system will never become antiquated because it has too long and too well served the American public," he said. "The companies, I know, would rather sacrifice their surpluses than their agents."

"Moreover, as for the agents, they are not at all responsible themselves for the bad agents, for such agents are appointed by the companies without their concurrence and are licensed by commissioners likewise without any responsibility therefor on the part of the existing agents."

President George F. T. Trask of
(CONTINUED ON PAGE 45)

Western Opens Central Department in Chicago

The Western Fire of Fort Scott, Kan., announces a plan of notable expansion, coupled with the appointment of George W. Brinsmaid, until recently assistant secretary of the Niagara Fire, as manager of a central department office located in Chicago, with jurisdiction over Illinois, Wisconsin, Indiana, Michigan, Ohio, Pennsylvania, New Jersey, New York, Connecticut and Massachusetts.

The Western has confined its activities chiefly to the states in Western Union territory. It has just entered New York state, and will make application for admission to the other eastern states, affiliating with the Eastern Underwriters Association in that territory.

Brinsmaid Has Wide Experience

Mr. Brinsmaid has had wide experience in all branches of the fire insurance business. He received his early insurance training in the Oklahoma & Indian Territories Inspection Bureau, then located at Topeka, under Manager Harrison Clarkson, one of the pioneer schedule raters of the country. He went to Oklahoma City when the inspection bureau was transferred there in 1904. He was successively promoted to more important positions with the Kansas Inspection Bureau and later with the Rocky Mountain Fire Underwriters Association, where, under Manager M. J. Burns, also recognized as one of the pioneer raters, he established the Cheyenne, Wyo., branch office. He was then called back to Denver, first as assistant, then as manager of the Rocky Mountain Fire Underwriters.

With Niagara for 10 Years

From Denver Mr. Brinsmaid went to New York, becoming associated with Marsh & McLennan as an engineer, but soon afterwards entered the employ of the Niagara Fire, serving that company 10 years, first as special agent in Ohio, then as superintendent of agencies for Western Union territory, and the last two years as assistant secretary in charge of the improved risk department, which position he held until the recent merger of the Niagara with the America Fore group.

Washington Association Holds Annual Meeting

NEW OFFICERS ARE ELECTED

H. C. Coffman Made President—Qualification Act Favored to Reduce Excess Appointments

EVERETT, WASH., Oct. 16.—Condemnation of the insurance activities of the Automobile Club of Washington and of the practice of general agencies doing a local business and paying the same commission to brokers as to local agents marked the eighth annual convention of the Insurance Agents League of Washington, which yesterday concluded a three-day meeting here. Approximately 100 delegates enjoyed a comprehensive program in which problems of insurance men and good fellowship were nicely balanced.

H. C. Coffman of Chehalis was re-elected president, and R. J. Martin of Spokane, vice-president. Members elected for the three-year term on the executive committee were Harry Paxton, Walla Walla; T. L. Ross, Wenatchee; H. T. Anthony, Spokane, and J. A. Miller, Spokane.

The Friday night banquet at the Monte Cristo hotel was the climax of the convention. Logan Jones of Aberdeen was toastmaster and with the aid of a crystal gazer poked fun at the agents present.

Vote for Close Contact

W. R. Booth of the Snohomish County Insurance Exchange welcomed the agents to Everett. J. E. McGovern of the Spokane Insurance Association responded. A floral offering sent by the Idaho Association of Insurance Agents, meeting at the same time, was acknowledged with thanks. A report of the representative of the league at the June meeting of the Western States Local Agents Association at San Francisco, led by Wallace W. Miller, and discussion that followed resulted in the Washington agents voting to keep in close contact with this organization.

Following a discussion of the subject the association moved that a committee be appointed to study the advisability of a qualification act or other means available to reduce the large number of appointments of people as agents who have no particular training for insurance work. This committee will function all through the year.

A. O. Armstrong, special agent of the Royal, spoke on the points to be stressed in competing with mutual and participating companies. He urged that the financial backing of the stock companies be emphasized. A discussion on National Board advertising and its relation and value to agents was led by Fred Haupt. W. H. Ritter, president of the Seattle Insurance Exchange, participated in this discussion. The association approved a resolution that a membership committee be formed to build up membership and strengthen local boards. One of the remarkable things about the convention was that all twelve members of the executive board were present.

Minner With Southern Fire

R. E. Minner of Springfield, Ill., has been appointed state agent for the Southern Fire for Illinois, Indiana and Kentucky. Mr. Minner has for the past five years been state agent of the Aetna in central Illinois and for several years previous was connected with the Illinois Inspection Bureau as manager of the branch offices at Champaign and Springfield, Ill. He is one of the outstanding field men in Illinois.

Henry K. Beckwith, of the agency firm of Phillips & Beckwith at Cleveland, met his death in an automobile accident Oct. 2. He was only 31 years old.



CORROON & REYNOLDS FLEET
EXTENDING COUNTRY-WIDE SERVICE AND PROTECTION
 DECEMBER 31st, 1928, STATEMENTS

American Equitable Assurance Company of New York			
Assets	Liabilities	Capital	*Net Resources
\$10,099,162.29	\$3,394,266.51	\$2,000,000.00	\$6,704,895.78

Bronx Fire Insurance Company of the City of New York			
\$4,889,591.12	\$755,197.32	\$1,000,000.00	\$4,134,393.80

Brooklyn Fire Insurance Company			
\$5,762,813.80	\$1,293,331.77	\$1,000,000.00	\$4,469,482.03

Globe Insurance Company of America PITTSBURGH, PA. (Incorporated 1882)			
\$2,258,430.77	\$813,552.56	\$512,000.00	\$1,444,878.21

Knickerbocker Insurance Company of New York			
\$5,034,363.88	\$2,255,641.18	\$1,000,000.00	\$2,778,722.70

*Net Resources, being aggregate of Capital, Net Surplus and Voluntary Reserves.

Long Island Fire Insurance Company			
Assets	Liabilities	Capital	*Net Resources
\$408,657.14	\$42,532.38	\$200,000.00	\$366,124.76

Merchants and Manufacturers Fire Insurance Company NEWARK, N. J. (Chartered 1849)			
\$5,774,475.31	\$1,291,847.16	\$1,000,000.00	\$4,482,628.15

New York Fire Insurance Company (Incorporated 1832)			
\$2,922,000.19	\$927,051.01	\$1,000,000.00	\$1,994,949.18

Republic Fire Insurance Company PITTSBURGH, PA. (Incorporated 1871)			
\$4,076,176.31	\$1,040,535.31	\$1,000,000.00	\$3,035,641.00

Sylvania Insurance Company PHILADELPHIA, PA.			
\$5,327,783.03	\$758,805.07	\$1,500,000.00	\$4,568,977.96

CLASSES OF INSURANCE WRITTEN
 FIRE, AUTOMOBILE, EXPLOSION, RIOT, CIVIL COMOTION, TORNADO AND WINDSTORM, SPRINKLER LEAKAGE, USE AND OCCUPANCY, PROFITS,
 LEASEHOLD AND GENERAL MERCHANDISE FLOATERS.

CORROON & REYNOLDS
 INCORPORATED
 92 WILLIAM STREET

MANAGER

NEW YORK CITY, N. Y.



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AUTOMOBILE,
TORNADO,
RENTS,
LEASEHOLD,
EXPLOSION,
RIOT and CIVIL
COMOTION,
PROFITS AND
COMMISSION,
USE & OCCUPANCY

AUTOMOBILE COVERAGE

Surely there is no better way to overcome "sales resistance", so-called, than that of presenting something of an eminently saleable kind, whose superior quality there is no gainsaying.

And there's where the Patriotic agent has "the jump." He encounters no question of responsibility or of the will and facilities to serve. With a number of highly saleable coverages, he truthfully can say:

"Back of the Patriotic is the Sun"

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C. A. HENRY, General Agent

NEWS OF THE COMPANIES

BROOKLYN FIRE'S SUCCESS

Special Dividend of 45 Cents a Share
Has Just Been Voted by the
Directors

The Brooklyn Fire, which is operated by Corroon & Reynolds of New York, has declared a special dividend of \$90,000 equivalent to 45 cents a share on 200,000 shares of \$5 par value stock. When paid it will make a total dividend disbursement for the year amounting to \$240,000. A dividend of \$60,000 or 30 cents a share for the first quarter of next year was also declared.

William J. Reynolds of Corroon & Reynolds was elected vice-president and secretary. Alexander Heid, president of John A. Eckert & Co., brokers, was elected a director to fill the vacancy caused by the death of Mr. Eckert.

The Brooklyn Fire has been operating less than two years. Corroon & Reynolds have put it to the front. It has increased its assets from \$4,000,000 to

\$6,500,000, as shown by the June 30 statement. Its premium reserve is now \$1,250,000.

Stratfield Fire & Marine

A new fire and marine company, the Stratfield Fire & Marine of New Jersey, is being organized in Newark. The capital will be \$200,000, the promoters planning to sell 40,000 shares at \$5 par.

Company Notes

Authority to operate in Alabama has been granted to the Associated Fire & Marine of San Francisco.

The Fulton Fire of New York City has been licensed in Texas. Floyd West of Dallas is named general agent.

The First National of Seattle has been admitted to Massachusetts and has appointed John H. Madden of Lynn as state agent.

Fire companies just admitted to Maine include the Southern Fire of New York, Fulton Fire of New York, Pacific Fire of New York, LaSalle Fire of New Orleans and the Federal Mutual Automobile Fire of Boston.

INSURANCE STOCK QUOTATIONS

By H. W. Cornelius & Co., 105 South La Salle Street, Chicago

Stock—	Par	Div.	Asked	Div'd per Share	Stock—	Par	Div.	Asked	Div'd per Share
Aetna Casualty...	10	245	250	...	New Brunswick...	10	42	45	1.20
Aetna Fire.....	100	780	790	20.00	New Cent. Cas... 50	85	95	6.00	
Aetna Life.....	10	142	147	...	New England ... 10	47	52	1.00	
Agricultural ... 25	260	...	4.00		New Hampshire. 10	95	105	...	
Allemanina ... 50	300	325	12.50		New Jersey ... 20	60	65	2.00	
Amer. Alliance... 10	40	43	1.60		New York..... 5	54	58	...	
Amer. Auto..... 10	80	...	2.00		Northern ... 25	130	140	3.75	
Amer. Druggists 25	85	...	3.00		North River... 10	88	93	...	
Amer. Equit.... 5	24	26	1.00		N. W. National.. 25	125	135	5.00	
Amer. N. J.... 5	66	69	1.50		Occidental ... 10	26	28	...	
Amer. Reserve.. 10	79	84	4.00		Pacific ... 25	150	160	5.00	
Amer. Surety... 25	130	134	6.00		Pacific Indem... 50	225	...	6.00	
Automobile ... 10	60	62	...		Peoples Natl... 5	34	37	1.00	
Balto. Amer. ... 5	50	52	.60		Philadel. Natl... 10	24	27	...	
Bankers & Ship. 25	135	145	5.00		Phoenix ... 100	1040	1060	20.00	
Boston ... 100	1010	1030	16.00		Preferred Acci... 100	595	620	12.00	
Brooklyn ... 5	36	39	...		Presidntl. F. & M. 25	32	
Camden ... 5	30	32	1.00		Prov.-Wash. ... 100	1010	1025	20.00	
Carolina ... 10	41	44	1.40		Public Fire..... 5	25	27	...	
Centl. West Cas. 50	55	63	2.00		Reliance ... 10	18	21	1.20	
Chicago F. & M. 10	31	34	...		Republic Fire... 10	46	49	...	
City of N. Y. ... 100	740	750	16.00		Rhode Island ... 10	36	40	...	
Colonial States. 10	20	25	...		Roches.-Amer. ... 10	48	51	1.00	
Coml. Casualty.. 10	48	51	2.00		Rossia ... 25	73	75	...	
Commonwealth. 100	750	...	20.00		Seaboard Sur... 10	24	27	...	
Constitu. Indem. 10	20	24	.50		Security, N. H... 25	117	123	3.00	
Contl. Casualty. 10	48 1/2	50 1/2	1.60		Southern Surety. 10	34	36	1.60	
Continental ... 10	98	100	2.00		Springfield F. & M. 25	208	218	4.00	
Detroit F. & Sur. 50	46	58	4.00		St. Paul F. & M. 25	255	265	5.00	
Detroit Natl.... 25	24	...	1.25		Standard Acci... 50	275	325	6.00	
Eagle Fire..... 10	75	82	4.00		Stuyvesant ... 25	110	115	...	
Employers Reins. 10	30	33	1.50		Sun Life ... 100	4000	4100	25.00	
Federal N. J.... 10	94	102	...		Sylvania ... 10	40	43	...	
Federal Surety. 15	...	37	...		Transport. Indem. 10	18	20	...	
Fidelity & Dep. 50	230	240	8.00		Transportation 25	50	
Fid. & Guar. F. 10	58	62	...		Travelers ... 100	1800	1815	24.00	
Fidel. & Phenix. 10	113	115	2.00		U. S. Fire..... 10	104	108	2.40	
Fire Association 10	46	48	2.50		U. S. Casualty... 25	93	100	...	
Fireman's Fund. 25	110	113	5.00		U. S. Fid. & Gu. 10	60	63	2.00	
Firemen's ... 10	37 1/2	39	2.20		U. S. Mer. & Sh. 100	395	415	8.00	
Franklin ... 25	250	260	8.00		Universal ... 25	80	85	3.50	
General Sur.... 25	125	135	...		Victory ... 10	20	23	1.20	
Georgia Cas.... 10	...	22	...		Virginia F. & M. 25	130	140	4.50	
Glens Falls... 10	64	67	1.60		Westchester ... 10	79	82	2.50	
Globe & Rutgers 100	1580	1600	24.00						
Globe Under.... 22	24						
Gr. Amer. Indem. 10	46	50	...						
Great American. 10	45	47	1.60						
Great Lakes... 10	12	...	1.00						
Guaranty ... 100	225	...	10.00						
Halifax ... 10	45	47	1.00						
Hanover ... 10	86	89	1.00						
Harmonia ... 10	50	52	1.50						
Hartford ... 100	1070	1080	22.00						
Htfrd. St. Boiler 100	790	820	16.00						
Home ... 100	680	700	20.00						
Home F. Secur. 10	30	32	...						
Homestead ... 10	34	37	1.00						
Hudson Cas.... 5	6	8	...						
Import. & Exp. 25	95	100	4.00						
Independ. Indem. 10	27	29	.50						
Independ. Fire.. 5	11	14	...						
Ins. Co. of N. A. 10	89	90	2.00						
Iowa National... 10	...	16	...						
Knickerbocker ... 5	66	69	...						
Lincoln Fire... 20	100	...	4.50						
Lloyds Casualty. 10	...	35	...						
Md. Casualty... 25	125	128	5.00						
Mass. Bonding.. 25	210	220	4.00						
Merchants, Com. 10	130	140	2.00						
Merchants, Pfd. 100	120	...	7.00						
Mechanics ... 25	100	...	2.50						
Merchants, R. I. 10	24	28	...						
Merch. & Manuf. 5	34	36	...						
Metropolitan F. 10	11	15	1.00						
Mohawk ... 25	59	64	...						
National Cas.... 10	29 1/2	31 1/2	1.20						
National Fire... 10	95	98	...						
Natl. Liberty... 5	28 1/2	30 1/2	.50						
National Union.. 100	290	300	12.00						
National Surety.. 50	110	112	5.00						
New Amsterdam. 10	48	51	2.00						

Insurance Institute to Meet Oct. 22 in New York

NEW YORK, Oct. 16.—The annual meeting of the Insurance Institute of America will be held Oct. 22 in the National Board building. The program calls for the address of President O. E. Lane, the report of Secretary E. R. Hardy and reports from various standing committees. In addition, the plans for each of the five branches of the institute, casualty, fire, life, marine and surety, will be outlined by their respective chairmen, G. F. Michelbacher, R. P. Barbour, Henry Moir, William D. Winter and George E. Hayes, following which Albert A. Pancoast will tell of the work of the "original seven" of the organization. After disposing of such unfinished business as there may be and the consideration of new matters, officers and governors for the new fiscal year will be chosen.



Not of the Few but of the Millions

Management today is entrusted with the stewardship of property belonging to millions of investors. One of the most fundamental obligations of management is to protect this property.

As an individual owner, a man can guess at the amount of insurance he should buy—and no one but himself will be the loser if he guesses wrong.

But when he is responsible to a nationwide host of stockholders, he dare not guess at the value of their properties to be protected through insurance.

And so, in ever-increasing numbers, he uses American Appraisal Service as a basis for adequate, scientific insurance coverage. We are always glad to cooperate with insurance men in bringing this new conception of scientific insurance protection to the attention of mutual clients.

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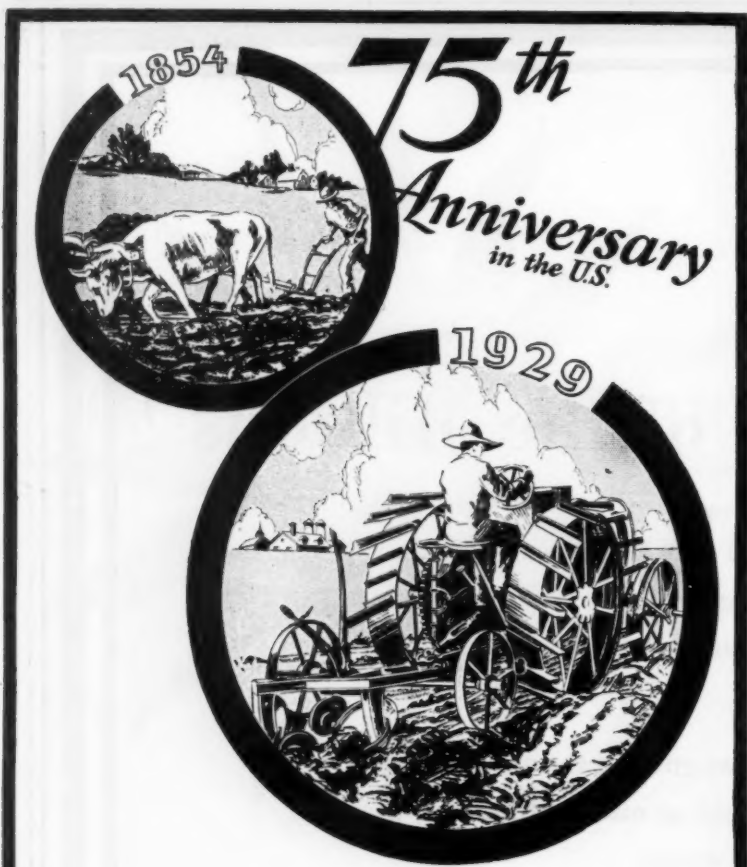
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*Keeping
Step
with the
March of
Progress*

FALL is the season for reaping results, but the harvest depends on the planting, ploughing and cultivating that have gone before.

The **Northern** appreciates the problems of its agents in cultivating business in their fields of labor and is desirous of helping them to develop a healthy growth.

It is our hope that in sowing the seed of cooperation, in cultivating the business plant with helpful suggestions, and in threshing out the agents' problems, the **Northern** really assists its agents in harvesting a bumper crop of premiums.

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Predict Lower Auto Rates in View of Growing Volume

MUTUALS IN ANNUAL MEETING

Dr. Huebner and Commissioner Livingston of Michigan Address Organizations in Joint Indianapolis Sessions

INDIANAPOLIS, Oct. 16.—Lower automobile cover rates were predicted by speakers at joint conventions of the National Association of Mutual Insurance Companies and Federation of Mutual Fire Insurance Companies here. Adequate reimbursement for the "third party" through compensation insurance, a more accurate method of handling radio risks and extension of fire prevention work to rural areas were other questions discussed.

Organization of the Century Club of the national mutual association was announced at a banquet, the club consisting of companies 100 years old or more.

Hodges Makes Prediction

Charles E. Hodges, Jr., president of the National Association of Automotive Mutual Insurance Companies, Boston, declared that automobile cover rates will be automatically lowered by the rapidly growing volume of business.

Speaking on compensation insurance, S. Bruce Black, president of the National Association of Mutual Casualty Companies, Boston, asserted that the "third party" should not be permitted to "sap the treasury."

Commissioner C. D. Livingston of Michigan made a plea for sound insurance, commissions for agents that will not be "too high," and more service to policyholders. He also urged cooperation of supervising officials toward better state legislation. He said during the last 25 years the largest increases in fire losses have been on farm risks, and he urged extension of fire prevention work and inspection in the rural areas.

Dr. Huebner a Speaker

Dr. S. S. Huebner advocated introduction of insurance in all colleges and high schools as a fifth classification in economics.

Burton S. Flagg of Andover, Mass., received unanimous vote for president of the association after retiring as president of the mutual federation.

Other officers elected without opposition were: S. B. Mason, Bloomington, Ill., vice-president; F. B. Fowler, Indianapolis, treasurer; W. E. Straub, Lincoln, Neb., national councilor to the National Chamber of Commerce; H. J. Rowe, Iowa; W. N. Deisher, Pennsylvania; Thomas G. McCracken, Minnesota, and C. L. Frost, New York, members of the board of directors.

The convention voted to hold the next annual meeting in Los Angeles.

Investment Trust Formed

BALTIMORE, Oct. 16.—An investment trust to deal in insurance stocks with capital stock of more than 10,000,000 was incorporated under the laws of Maryland today. The trust, to be known as Insurance Shares Certificates, Inc., is sponsored by New York interests. Those named as directors, all of New York, are Arthur P. Day, Henry B. Twombly, R. Parker Kuhn, Edward S. Goodwin and Donald F. Tripp.

Casualty men, who want to get ahead, read their personal copies of The National Underwriter at their homes.

WANTED

Experienced Fire examiner for home office position outside Chicago. Address N-79, The National Underwriter.

WANTED—Young man between the ages of 25 and 35 to develop Sub-Agency business in St. Louis, Missouri, and adjacent territory. Splendid opportunity for right man. Reply should state age, education, experience, and salary expected at the start. Address N-75, Care The National Underwriter.

WANTED FIRE COMPANY FIELD WORK

or other Company or General Agency connection, by man of middle age, married, sober and industrious, with both local and special agency experience and now employed in the last mentioned capacity. Best of references as to character and ability. Address N-72, Care The National Underwriter.

FOR SALE

Sanborn maps, St. Louis, Missouri. Volumes 1 to 5. These are the latest editions, corrected to date. SOUTHERN FIRE INSURANCE COMPANY, 818 Olive Street, St. Louis, Mo.

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SAN FRANCISCO

USE AND OCCUPANCY — RIOT AND CIVIL COMMOTION — PERSONAL EFFECTS FLOATER

American Marine Market Ample, C. R. Page Asserts

ABLE TO MEET COMPETITION

Despite Uneconomically Low Rates
Quoted by Foreign Markets, Amer-
icans Expect to Hold Their Own

SEATTLE, WASH., Oct. 16.—"American underwriters, like American shipowners, are business men. They are in the business for the profits which can be earned out of it. There exists in this country an ample market, if availed of, to care for all but a very few of the highly-valued American passenger steamers, and in this we in America are in no different situation from that which the English shipowner or the German shipowner finds himself."

That is the statement made by Charles R. Page, former president of the American Institute of Marine Underwriters, now vice-president of the Fireman's Fund, before the Pacific Foreign Trade Council here. Mr. Page spoke on "Marine Insurance—with Special Attention

to Recent Development in Cargo and Hull Insurance."

"In England, for example," Mr. Page said, "there is insufficient market to care for the Mauretania, to cover which recourse must be had to America, and in Germany the markets of the world have had to be scoured to find sufficient cover for the Bremen."

Americans Have Higher Costs

"As a result of the high cost and high standard of living in this country, American underwriters must pay increased repair costs. By a special tariff provision, American vessels are prevented from making repairs in cheaper markets, as foreign vessels almost invariably do. The high standard of living prevailing in this country also increases the expenses of American insurance companies for rent and clerical assistance, and all other items which enter into the overhead expenses. On top of this marine insurance is, with few exceptions, heavily taxed by most of the states in the Union, in contrast to foreign competitors paying comparatively little and in many cases no tax whatsoever."

"American companies engaged in the marine insurance business do not ask for any monopoly, nor do they ask for

any subsidy or other governmental assistance. They do not complain of the fact that American shipowners are always free to take advantage, as they have done for years past, of uneconomically low rates quoted by foreign markets. Moreover American underwriters

believe that they have sufficient knowledge and skill to compete successfully on even terms with foreign underwriters, and they are confident that no combination or group of companies can continue inevitably quoting rates which American marine underwriters cannot meet."

VIEWED FROM NEW YORK

By GEORGE A. WATSON

BROOKLYN PREMIUMS

The premium returns in Brooklyn for the first half of the year have been compiled by the New York Board and show a total of \$7,229,144. The total for the first half of last year was \$7,374,242. The premiums for the first half of the year in Manhattan and Bronx were \$18,132,858 as compared with \$18,099,433. The total for the entire city for the first six months was \$25,362,002 as compared with \$25,473,675 last year. Taking the premium returns for Long Island City and the American Dock stores the total for the first six months make \$25,771,858 as compared to \$26,820,063 for 1928.

The New York City companies' premiums amount to \$2,707,107 in Brooklyn for the first six months as compared with \$2,753,643 the year before. The

leaders are the American Eagle \$124,411; Continental, \$189,219; Fidelity-Phenix, \$185,817; Great American, \$185,646; Globe & Rutgers, \$101,895; Home of New York, \$215,466; Niagara, \$119,163; North River, \$113,055, and United States, \$116,505. The premiums of companies from other states amount to \$3,323,249, the leaders being the Aetna, \$130,474; Connecticut, \$114,407; Firemen's, \$105,804; Hartford, \$162,345; North America, \$106,652. The foreign companies' figures were \$1,137,385, the leaders being the Liverpool & London & Globe, \$113,125; North British, \$134,195, and the Royal, \$127,220.

The America Fore group had \$658,037, leading all others. The Home group had \$621,283; Firemen's, \$420,249; Crum & Forster, \$347,591; North British, \$310,408; Hartford Fire, \$275,347; Corroon & Reynolds, \$274,624; Royal, \$248,862; Great American, \$238,689.

COMMENT ON HOUSE OF MORGAN

"The Business Week," the new McGraw-Hill publication, in giving a sketch of the "House of Morgan," makes a reference to the early Hartford insurance environment of the Morgan-Goodwin family which had an important part in the early history of the Aetna Fire, Connecticut Mutual Life and other Hartford companies. The article says:

"The outstanding psychological characteristic of the Morgan line has been shown to the same degree by the son as by the father. It may best be described as an inherent distaste for, or even distrust of financial talent, that quality of brilliant virtuosity which is ordinarily labeled as genius."

"Probably the only true quotation that ever got into the press from the silent Pierpont Morgan was a little phrase to the effect that he thought himself 'a poor judge of talent but a fair judge of character.' It is precisely character, not talent, which the Morgans have sought in their partners. There have been no spectacular persons among them, no original thinkers, no audacious creators of new forms. Such is not the tradition and such is not the tone of the house."

"This is not equivalent to saying that Morgan partners are stupid men or mediocre bankers. They are well-trained, competent, sound bankers, but above all they are men of the highest and strictest honorability according to the Connecticut ideas of honor. It was not for nothing that the Morgans took root at Hartford and graduated from that hard school of the early insurance institutions to invade the metropolis. A man like the late Mr. Harriman, or the present Mr. Dillon, or the later Mr. Giannini, would be simply inconceivable as a Morgan partner."

ANOTHER CONFERENCE SCHEDULED

A further conference will be had with local agents of the New York suburban territory by a committee of the suburban division of the New York Fire Insurance Rating Organization, regarding the appeal of the former for a change in their commission rate, which for years past has been 20 percent flat, plus 5 percent contingent. The agents seek an increase, arguing that the expense of operating in the territory is increasingly heavy and that the loss ratio for a long time has been a creditable one.

The managerial committee, at the initial conference some weeks ago, pointed out that any increase in the present

INCORPORATED 1799

PROVIDENCE WASHINGTON INSURANCE COMPANY

of Providence, R. I.

Capital, \$3,000,000

Net Surplus, \$12,580,410

INCORPORATED 1832

VIRGINIA FIRE AND MARINE INSURANCE COMPANY

Richmond, Va.

Capital, \$500,000

Net Surplus, \$1,325,921

INCORPORATED 1928

ANCHOR INSURANCE COMPANY

Providence, R. I.

OWNED AND OPERATED BY THE
PROVIDENCE WASHINGTON INSURANCE CO.

Capital, \$500,000

Net Surplus, \$818,557

WESTERN DEPARTMENT

175 W. JACKSON BLVD.

CHICAGO

J. R. CASH, Manager

commission, would simply mean passing it along by the agents to brokers, and the local men would not be advantaged thereby. They also stated that the history of the fire insurance business was that any material increase in the commission scale meant the entry of a horde of new agents in the field, many poorly equipped to render proper service to the assured, but all supplying additional competition to the legitimate local men. The committee might have truthfully added further, that the satisfactory loss ratio of the suburban field as a whole, was measurably due to the stability of the commission scale; the record of fire underwriting by and large being that the loss ratio of a territory is influenced to a considerable degree by the commissions paid therein. The ratio decreases when the scale is a reasonable one, and advances with the commission increase; a result attributed to the large number of poorly equipped agents tempted to enter the business by the higher commission awards; and being indifferent to the character of the risks secured, so long as they receive commissions thereon.

LOSING CONTROL OF SITUATION

Writing of apparel risks through inland marine offices not under jurisdiction of the New York board or any other regulatory power has materially increased, Secretary Allen E. Clough of the committee on losses and adjustments of the New York Board makes known. Mr. Clough says the board is rapidly losing control of the apparel contractors' situation because the marine form has almost completely superseded the exchange garment manufacturing floater.

Mr. Clough reported 475 cases involving apparel contractors' losses handled since the first of the year, involving an aggregate loss of \$138,843. Since the committee started handling such losses in April, 1923, up to Jan. 1, 1929, it had disposed of 3,791 claims involving \$4,537,888 of losses.

CONWAY HEEDS COMPLAINTS

Superintendent Albert Conway of New York has called on all fire and marine companies doing business in the state for complete data as to policies written where property in multiple locations is covered under one contract, as a result of many complaints that fire cover is being written under inland marine forms. The volume of business thus lost to companies and agents who are unable to write marine forms is said to be large. Those who have been profiting by this change in practice justify it by the claim that inland marine forms more nearly meet the public need, especially where property is in many locations and there are constant changes in values and transportation risks. The standard fire policy, they declare, is inelastic and unsuited to present day needs. It is held that fire insurance should make its policies conform to the needs of today rather than to make the business fall in line with contracts written 35 years ago.

Superintendent Conway's demand is for a list of all fire and marine policies written since Jan. 1 covering multiple location risks, and he requires the policy numbers, names of assureds, nature of business, list of locations covered, risks or hazards covered and whether written on fire or marine forms. Rates are not mentioned but it is believed the differences, where they do exist between inland marine covers and fire rates, will take prominent place in consideration of the whole problem.

STOCKS MOVE UPWARD

In sympathy with the general stock reaction on the New York exchange last week insurance stocks moved upward, according to Gilbert Elliott & Co. Specifically, the Home stocks as a group were strong with Halifax climbing from 43 to 47; Home Fire Security advanced two points, and Harmonia and Baltimore American one

Layman Gives Viewpoint at Missouri Meeting

Hugh Stephens, president chamber of commerce, Jefferson City, spoke on "Insurance from the Layman's Viewpoint," at the Missouri Association of Insurance Agents' convention. Looking at the business from the buyer's standpoint, he said, there are too many agents; this is a distinct disadvantage.

"Too many times," he said, "the sale of insurance has been put to a prospect on a personal basis and not enough on a professional basis." A business man should be able to carry out his cold-blooded business conclusions in purchasing insurance, without breaking up lifetime friendships.

There should be mergers among insurance agencies. In that way the public would be in a position to receive better service. He said there is a need for consolidation and simplification of methods. Also the simplification of insurance forms would be a good thing. Much good could be accomplished if the insurance business were presented to the general public by an advertising campaign in the daily newspapers. In this way, he believes, the public would become more familiar with the business.

Opportunity to Seek Plate Glass Insurance

Many agents make a special drive for plate glass insurance during the fall and winter season owing to the fact that merchants at this time make special use of window space for artistic display of goods. Merchants realize that during these seasons with lighting effects the advertising is decidedly effective. Hence window space is greatly to be desired. In case of a breakage a prompt replacement means much.

Plate glass insurance is a good line to solicit because in case of a loss the companies are very prompt in replacement and repair and, therefore, the customer gets an idea of immediate service. The indemnity of a plate glass policy is worth something, but its service is really worth more when a customer is particularly desirous of not having his window display interfered with.

Legislative Bodies Quiet

Congress alone of the legislative bodies of the country is still in session, and as it is more particularly concerned with tariff revision, disarmament and kindred problems, it is doubtful if any attention will be paid to insurance questions. This is a condition pleasing to underwriters. Wisconsin was the last of the state legislatures to adjourn. The net result of its consideration of an unusually large number of insurance bills, several of a highly objectionable character, was enactment of an automobile liability code defendant law.

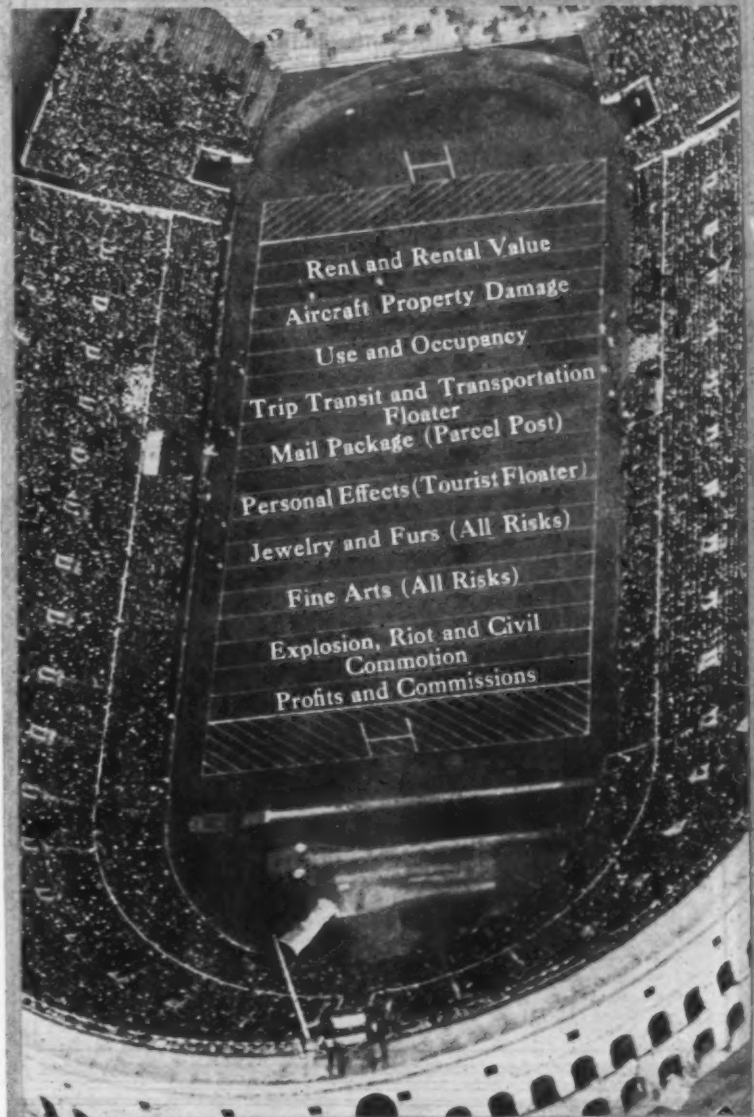
point each. Phoenix was a strong spot among the Hartford issues, reaching 1080. Providence Washington was in demand at higher prices, while St. Paul Fire & Marine reached 275, a gain of 10 points. Ten point gains were likewise had by Massachusetts Bonding and the United States Merchants & Shippers. Hanover, Westchester, North River, National Fire, Importers & Exporters and United States Casualty, likewise shared in the advance.

POND MEETS OCT. 21

The Fall dinner-meeting of the New York City Blue Goose will be held Oct. 21. Fred Ackerman, the pond's delegate to the grand nest gathering at San Francisco, will give his impressions of the affair which will be followed by entertainment.

Have a personal copy of The National Underwriter sent to your home.

When The Side Lines Are The Field Of Activity



OUR SILENT SALESMEN

HELP



YOU

TO YOUR GOAL

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Business demands FACTS

In this era of high-pressure business, speed is essential. It is necessary to make rapid, correct decisions. It is imperative that the executive place his finger on FACTS immediately if they are in any way needed.

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But then think how simple the situation is when the records of a Lloyd-Thomas appraisal show in detail at once, the exact amount of loss and all FACTS regarding the damage.

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BUSINESS INTERRUPTION INDEMNITY**

CHANGES IN THE FIELD

AETNA REORGANIZES FIELD

H. M. Callahan Goes to Springfield, Ill.
—R. W. Carter to Assist Shoemaker in Indiana

H. M. Callahan, state agent of the Aetna and World in southern Illinois, with headquarters at St. Louis, has been transferred to Springfield and will hereafter have supervision over central and southern Illinois, assisted by H. E. Johnson, Jr., special agent, who has been in the central Illinois field for some time, and W. E. Minner, Jr., who has been promoted to special agent. Mr. Minner graduated from the insurance school conducted by the Northwestern University School of Commerce in 1926, since which time he has served in various capacities in the western department.

R. W. Carter, special agent for the Aetna and World in Minnesota, has been transferred to the Indiana field, with headquarters at Indianapolis, where he will assist State Agent Shoemaker. Mr. Carter returns to Indiana where he began his field work as a farm special agent before being transferred to the Minnesota field.

Firemen's Group Changes

Companies of the Firemen's of Newark group have made a number of changes in their field staffs, including the appointment of Stuart K. Frayser as Virginia state agent for the Milwaukee Mechanics, Walton B. Johnson as state agent in West Virginia and Raymond G. Haun as New York state agent, outside the suburban territory, for the same company. J. Arthur Boykin was named as state agent in South Carolina for the Pittsburgh Underwriters, Concordia, Keystone Underwriters and Superior, while the Georgia state agency for the Concordia, Keystone Underwriters and Superior was given M. R. Redwine. State Agent H. E. M. Eckels, who formerly handled West Virginia in addition to western Pennsylvania for the Milwaukee Mechanics, will restrict his future activities to the latter territory.

Thomas McQueen

Thomas McQueen, for 10 years state agent for the Hartford Fire in Wisconsin, with headquarters at Milwaukee, has resigned and has purchased an interest in the Fagan-Fanning-Newell Company, Racine, Wis., which will be reorganized as the Fagan-Newell-McQueen Company. Mr. McQueen will assume an active interest in the agency Nov. 1. The agency represents the Hartford. No successor as Wisconsin state agent has been named.

Mr. McQueen's experience in the insurance business embraces a quarter of a century. Starting in 1903 with the London & Lancashire, later with the O. C. Kemp general agency and North America in the underwriting field, he went with the National Inspection Company, serving in various capacities, including chief inspector, for seven years. Following that he joined the Firemen's of Newark, handling Cook county and later eastern Canada, from where he joined the Hartford in Wisconsin, where he has served as special agent for the past ten years.

Von D. Taylor

Von D. Taylor, who has been an engineer for the Travelers Fire in Indiana, has been appointed special agent under A. B. Smilie, Indianapolis, Indiana manager. A. H. Andrews, formerly with the Indiana Inspection Bureau, succeeds Mr. Taylor in the engineering department.

DALE RETIRES FROM FIELD

Entered Service of Phoenix 48 Years Ago—Vice-President Long Pays Him Tribute

OMAHA, NEB., Oct. 16.—John Frank Dale of Omaha, who yesterday completed his 48th year with the Phoenix of Hartford, is retiring as field man of that company and the Equitable Fire & Marine.

Mr. Dale was born at Kankakee, Ill., was educated in the public schools of that city, and at Northwestern University. He began field service with General Agent Magill, Oct. 15, 1881, serving first in several of the middle western states, from which roving field position Mr. Magill soon appointed him state agent of the Phoenix for Nebraska and South Dakota, with headquarters in Omaha. Later on his territory was increased to include Colorado and Wyoming.

In commenting upon Mr. Dale's retirement, George C. Long, Jr., vice-president of the Phoenix, said: "Although he retires from active service, Mr. Dale will continue to be looked upon as dean emeritus of our western field corps."

It is expected that William G. Curry, now his assistant, will be Mr. Dale's successor, although the appointment has not been made.

Marshall Mellor

Marshall Mellor, formerly with the Hartford Fire group, and later connected with the Edward J. Miller local agency in Louisville, will reenter field work as special agent in Kentucky for the National Liberty, which has been without a field man since the death some months ago of R. W. Morrow.

J. A. Belmeur, Harold Trickey

The St. Paul Fire & Marine announces the appointment of John A. Belmeur as state agent for Virginia and the District of Columbia, succeeding B. P. Carter, who resigned Oct. 1 to open a general agency in Richmond. Mr. Belmeur has been assisting Mr. Carter as special agent since last February. Announcement is also made of the appointment of Harold Trickey, special agent to assist Mr. Belmeur in this field. He has been at the home office of the company for many years and for the last four years has been examiner for Virginia and other southern states.

C. W. Smith

C. W. Smith, recently appointed as special agent for Morrison & Co. in Kansas, will represent the American Home Fire, the American Constitution, the Stuyvesant and the American Equitable. In an announcement last week, a number of Corroon & Reynolds companies were incorrectly given as those which he would represent. He will handle only the companies above named, represented by Morrison & Co. as general agents.

James Young

Col. James M. Young, special agent of the Georgia Home, one of the Home of New York fleet, for Virginia, North Carolina and West Virginia, with Richmond headquarters, has been given an assistant in that field. His assistant is his nephew, James Young, son of John P. Young, Kentucky state agent for the New York Underwriters. The new appointee is from Louisville, where he has been assisting another uncle, Hugh W. Young, independent adjuster.

Missouri Agents Hold Gathering

(CONTINUED FROM PAGE 4)

Missouri. Mr. Depping spoke briefly on "Why Is an Insurance Agent?" He believes an insurance agent can best serve himself and his companies by building good will among the public. Juries are no longer prejudiced against insurance companies but more and more the companies are beginning to get a square deal. He thinks the reason for this is because the agents are continually building up good will. It is of utmost importance that agents study their business so that they can be in a position to make intelligent presentation to a prospect.

Heavy Expenses Incurred

Joseph F. Holland, deputy superintendent, briefly extended greetings from the Missouri insurance department to the assembled agents.

W. O. Woodsmall, Kansas City, extended a greeting from the field men of the state. Mr. Woodsmall took occasion to compliment the agents on their splendid cooperation with the companies during the last session of the state legislature.

The report of the treasurer, James B. Wallace, Kansas City, was presented. Because of the heavy expense during the legislative session the finances of the state association are at a rather low ebb.

William J. Welsh, Kansas City, of Mann, Barnum & Welsh delivered an address on "Developing Casualty Lines." It was full of practical material for the agents in soliciting this business.

Owing to the fact that the report of the nominating committee was not accepted, it was decided that a new report be made. This will be sent to the membership, together with ballots. The agents throughout the state will be expected to return these ballots showing their preference for the various officers for the ensuing year. In all likelihood the following will be the lineup for the coming year: P. K. Weis, Moberly, president; Lorren Garlich, St. Joseph, first vice-president; Leslie E. Bright, St. Louis, second vice-president; James B. Wallace, Kansas City, secretary-treasurer.

Carl S. Lawton will be chairman of the legislative committee and the following men regional vice-presidents: W. A. Shelton, Unionville; Court P. Allen, Trenton; Sam R. Sprecker, Sedalia; Robert M. Clayton, Hannibal; H. M. Wassweiler, Springfield; Walter B. Bernard, Caruthersville; U. L. Jones, Piedmont.

Feiker Tells Function of Trade Paper Advertising

(CONTINUED FROM PAGE 5)

said: "While we give proper place to the inventor and the courageous industrial leader, one element is too often overlooked—the enormous contribution which the business and technical press has made to the development and diffusion of ideas. Without it no such era of progress would have been possible."

"The business press is further unique in that its editorial and advertising pages supplement each other. Business publications therefore which serve their fields present a double value to the advertising men of the industry. In the first place, the editorial pages are designed to promote and advance the industry as a whole. They feature new ideas, new methods. They are not edited with paste pot and shears but by able men, who add to the content of the publication their interpretation and their seasoned opinion with regard to accomplishment."

Teach the Teachers

"It seems to me that there never was a time when a service business had greater opportunity to develop talking

points and transmit them to its trade through the medium of the business press than today. Through the business press we teach the teachers. We develop good will for company policies. We provide talking points for new types of service. We emphasize the value of special services. Each advertiser in a field contributes collectively through his copy to the inspiration of the men on the firing line. Competitive copy in a business journal is essentially also cooperative copy from the viewpoint that the advertising of all stimulates the interest of each reader. In that sense all advertising is good advertising."

Buchanan Toronto Speaker

Thomas F. Buchanan, general adjuster of the Aetna and World Fire & Marine will be one of the important speakers at the meeting of the Ontario Fire & Casualty Agents Association at Toronto Thursday.

Conference is Called

The National Fire Protection Association is calling a conference on spontaneous heating and ignition of agricultural and industrial products at the Hotel Raleigh, Washington, D. C., Nov. 14-15. President Frank C. Jordan will preside. Secretary of Agriculture Arthur M. Hyde plans to attend.

Many Speak at Oklahoma Meet

(CONTINUED FROM PAGE 4)

speaker who brought an interesting message to the Oklahoma men was J. A. Giberson, of Alton, Ill., when he talked on "Agency Management." There was also an address Wednesday morning dealing with "Oil Association Lines," by C. N. Comegys, Chicago, manager of the Oil Insurance Association. Mr. Comegys formerly traveled in Oklahoma and has a wide acquaintance among the Oklahoma agents.

T. Dana Roberts, Oklahoma City, led a discussion on "Automobile Insurance" and "Casualty Production" was the subject handled by V. V. Sills, Ponca City.

Executive Session Wednesday

Wednesday afternoon was an executive session for members only. At this session questions of vital interest to the local agents were presented for discussion. The reports of the various committees were also received at this time.

On Tuesday evening the annual banquet was held. In addition to the banquet there was entertainment and dancing. Charles T. Evans, vice-president of the Home insurance companies of

Little Rock, Ark., was the principal speaker at the banquet.

Employers in Inland Marine Field

The Employers Fire of Boston will shortly establish an inland marine department. Byron M. Allen, for the past 20 years with the Field & Cowles office in Boston, having special charge of marine matters, has been secured as manager of the new department and will build up a personnel to handle the business from the home office.

Boston Library Association Elects

BOSTON, Oct. 16.—At the annual meeting of the Insurance Library Association of Boston these trustees were elected: William B. Medlicott, Gayle T. Forbush, George H. Allen, Harry R. Worthley, Kenneth H. Erskine, H. Belden Sly, A. A. Lawson, Edward C. Stone, Charles C. Hannah, Arthur W. Burke, Lincoln R. Welch and E. Winchester. Mr. Stone, who is United States manager of the Employers Liability and president of the Employers Fire, was elected to succeed George Neiley, deceased, and Mr. Lawson, of the firm of John C. Palge & Co. was elected to succeed E. C. Brush, retired. D. N. Handy was reelected Clerk-Treasurer.

Mr. Brush, for 32 years a member of the board of trustees, having retired at his own request, was elected to honorary membership in the association.

Obligations of an Insurance Broker

It is often said that an insurance broker's obligations are only to his customers and not to companies or their agents. Reputable brokers know that this obligation to customers requires them to deal honorably with the institution of Insurance of which they have made themselves allies.

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1881

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FIRE
INSURANCE COMPANY
OF DAYTON, OHIO

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\$1,000,000

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Formerly THE WESTERN UNDERWRITER

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Chickens Come Home to Roost

THE penalty of a state endeavoring to carry its own insurance is often brought to light in a concrete way. Recently the whole country has been aroused over the mutiny in the Colorado state penitentiary when a number of guards and convicts were killed and considerable property was burned. Aside from the toll of lives there was property damage of about \$300,000. Inasmuch as Colorado carries its own insurance it will be a dead loss. In order to save as much as possible in the restoration, convicts were used to carry away the debris and to do such rebuilding as they could.

The Colorado legislature felt that no insurance was necessary because the buildings are concrete and iron. It was thought that nothing could burn except the roof. The heat, however, was intense, due to the windows and window sashes catching fire. Many coats of paint were on the woodwork and this burned like tinder. The roofing was destroyed. Machinery in the license tag factory and equipment in the tailor shop were destroyed. This incident is but another example of false economy in not insuring public property and depending on an "insurance fund."

Great Opportunity for Service

GREAT opportunity is offered the local agent in giving sound advice on fire protection. In doing so he is performing the duties which his position in his community really calls for. It increases his prestige and consequently his business.

For example, the Cleveland clinic disaster would have been far less serious had the vault in the basement room in which the films were stored been equipped with automatic sprinklers. A wideawake local agent should use the automatic sprinkler idea as the chief card in his efforts to win popularity and premiums.

In some cases involving hospitals and charitable institutions, it probably would be hard to prove liability following a bad fire; but there are many hospitals operated for profit which would be subject to liability suits in case of death or injuries resulting from improper protection against fire. Likewise in the case of stores, hotels, offices, apartments, theaters, public buildings, etc., there lies a great opportunity for agents to advocate the installation of automatic sprinkler protection.

"If every property owner in the country," said W. A. Chapman, former western manager of the Fireman's Fund, "knew that he would be held responsible for the destruction, not only of his own property, but under certain conditions of that of his neighbor, would he

not be much more careful with his own property than now is the case?

"Would there be so many school fires with their deadly toll of helpless children if contractors, public officials and others knew that they might be held personally responsible for disasters arising from defective construction or carelessness in operation?"

Merchants and manufacturers are realizing the necessity of installing sprinklers to safeguard the lives of their employees and guarantee uninterrupted use of their plants.

But what about the institutions in which these same business men are interested—asylums and old age homes on whose management boards they serve? Schools and colleges of which they are trustees, and to which they send their children? Does so-called fireproof construction protect the inmates of these buildings from death by fumes and smoke? Do their occupants enjoy the absolute safety which automatic sprinklers provide?

Herein lies an opportunity for public service which no insurance agent should overlook. Fire being a deadly and contagious disease, they should urge sprinklers and other fire prevention measures just as enthusiastically as they would lend their influence to quarantining parts of their own city in which smallpox existed.

PERSONAL SIDE OF BUSINESS

H. F. McGurran, who was connected with an investment firm in Detroit, died in Chicago last week following an operation for appendicitis. Mr. McGurran had gone to Chicago to witness the world series baseball games and was stricken suddenly before the game at his room in the hotel. He is survived by his wife. The burial was in Chicago. Mr. McGurran was formerly Michigan state agent of the Westchester. He started with the company in the western department office at Chicago and then was transferred to the field traveling in Minnesota. Later he was made Michigan state agent.

James W. Going, former well known Kansas company official, is now connected with the J. C. Nichols Investment Company in Kansas City. Mr. Going was located for some time at Los Angeles and then went to Topeka, becoming associated with the Preferred Risk Fire. Mr. Going is best known for being the secretary and manager of the old Shawnee Fire of Topeka, which was reinsured in the National Fire.

Norman Mills, Missouri state agent of the Hanover Fire, died last week as the result of a cerebral hemorrhage, ending a brilliant career with the Hanover which lasted 21 years. He was only 36 years of age.

Starting as an office boy in the western department headquarters in Chicago at the age of 15, Mr. Mills worked up to examiner and five years ago was appointed Missouri state agent. He was considered of so high a type, had such unusual intelligence as a fire insurance man and so large a group of friends that the Hanover's western department is sending out a memorial broadcast this week expressing the company's grief.

Funeral services were held in Kansas City last Friday, but due to the fact that Mr. Mills was born in Chicago the body was taken back there for burial. He is survived by his widow and one child. No successor has been named in the Missouri field.

George O. Hoadley of San Francisco, Pacific Coast manager of the American of Newark, Camden Fire and Rochester American, is in the east visiting the home offices of his companies.

H. A. Elkin, Springfield, Ill., special agent of the Home of New York, is the proud father of a baby girl, Mary Ellen Elkin. Mrs. Elkin and the child are getting along fine.

Samuel Carpenter, 67 years of age, formerly with his brother, Frank C. Carpenter, in the Louisville agency of Carpenter & Dudley, now Carpenter & Burba, died at his home in Louisville of a heart attack last week. Mr. Carpenter retired from business five years ago.

E. J. Miller of the Denver general agency of Cobb, Miller & Stebbins, who has been on an extended eastern trip, was in Chicago this week on his way west, but expects to be out about ten days more before returning to Denver. He attended the meetings of the National Association of Insurance Agents at Detroit, the Western Union at Old Point Comfort, and the casualty convention at White Sulphur Springs, in addition to visiting the home offices in eastern cities of the companies represented in his general agency.

Chester L. Zook, Kansas special agent for the National of Connecticut, was married recently to Miss Ruth Neeland of Council Grove, Kan. Mr. Cook is a graduate of Baker university.

Henry Leighton Morrill, son of Charles H. Morrill, partner in W. H. Markham & Co., St. Louis, has been

awarded the Jacob Wendell scholarship at Harvard university. The scholarship is awarded annually to the freshman who attains the highest scholastic record at the end of the first year.

Governor Weaver of Nebraska has appointed Lloyd C. Dort as insurance commissioner, effective Nov. 1. He succeeds J. L. Kizer, who has been acting as bureau head since Feb. 1. Mr. Kizer becomes chief examiner, while B. B. Gribble, examiner, is promoted to be department actuary. Mrs. J. D. Fairchild remains as chief clerk.

Mr. Dort is to receive \$5,000 a year. He is a lawyer with no insurance training. He served for six years as first assistant to the attorney general, but was defeated at the primary when he sought the Republican nomination for attorney general last year. He has offices in Lincoln, but his home town is that of the governor, Falls City.

A. Bruce Bielaski, formerly chief of the bureau of investigation of the Department of Justice, will take charge of the arson investigation activities conducted by the committee on incendiaryism and arson of the National Board.

R. Bryson Jones, member of R. B. Jones & Sons, Kansas City, Mo., has returned with his family to Kansas City from a pleasure and business trip through Europe this summer and fall.

An unusual tribute, rarely given to anyone outside of the legal profession, was paid to the late Thomas Tongue of Baltimore, in the United States district court there.

A testimonial commemorating the late Mr. Tongue, who was jury commissioner of the United States district court for the district of Maryland, was read into the records of the court at the request of Federal Judges Morris A. Soper and William C. Coleman. The court recessed for a minute in tribute to his memory.

C. T. Deatrick, state agent for the Home of New York in Ohio for many years, who recently retired, was tendered a testimonial dinner by his many insurance friends last week in Columbus. Mr. Deatrick plans to journey to Florida, where he probably will remain. John H. Gray was chairman of the special committee in charge of the affair.

H. S. Hoskins, branch manager for the Home of New York at Cleveland, died last week after a lingering illness. He was about 65 years old and had been connected with the Home for a quarter century. Vice-President John Campbell, who was on a western trip, interrupted it upon receipt of word from Cleveland to go there in order to attend the funeral.

Norman T. Robertson, president of the Germanic Fire, left Oct. 15 for an extended trip which will include agency visits in New Orleans, Texas, Los Angeles, San Francisco, Portland, Seattle and Canadian points. Mr. Robertson expects to be away for a month.

REFUSES TO ACCEPT GIN RISK

An examiner for one of the smaller Canadian fire companies recently declined a line on a North Carolina cotton gin submitted by a local broker, upon the plea that his office had placed gins in its K. O. category since the enactment of the prohibition law in the states.



"AMERICA FORE"

Hit of the Fall Season—

The "All Risks" Personal Fur Floater sold by the First American and other fire companies of the "America Fore" Group.

If you do not sell your clients who need this excellent protection for so necessary a part of every well-dressed woman's winter wardrobe, you are missing an opportunity.

Send for your supplies and get busy, so as the temperature goes down, the figures of your premium income will rise.

FIRST AMERICAN FIRE INSURANCE COMPANY

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PAUL L. HAID, PRESIDENT.

CASH CAPITAL — ONE MILLION DOLLARS

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CHICAGO

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DALLAS

MONTREAL

FIRE INSURANCE NEWS BY STATES

OHIO AND WEST VIRGINIA

REPORT ON EAST LIVERPOOL

National Board Engineers Say Extension of Water Supply System Has Resulted in Improvements

National Board engineers, following an inspection of East Liverpool, O., issued a report in which the conclusions were:

"Because of the small sizes of pipe, additions to the distribution system are chiefly valuable for domestic service, but the new standpipe adds somewhat to the adequacy and reliability of the standpipe service in the higher part of the city. The supply to the principal mercantile district is limited by the capacity of the mains, and in this there has been no improvement. The full benefit of the increased personnel of the fire department has not been obtained because of the lack of adequate training.

"Recommendations in the 1927 report were discussed at a meeting of chamber of commerce and city officials and it was indicated that efforts would be made to comply with as many of the recommendations as the financial condition of the city would permit."

AKRON TO BE INSPECTED DAY AFTER FIELD MEN MEET

AKRON, O., Oct. 16.—The Ohio Fire Prevention Association and Ray R. Gill, state fire marshal, have arranged for an inspection of Akron, Nov. 13-14. The committee in charge is composed of R. S. Tidrick and William Rardin, cooperating with Vincent L. Stevens of the Akron chamber of commerce

and committees of that organization. R. E. Vernor of Chicago will speak and "Smoky" Rogers will entertain the school children. On the day previous, the Ohio Association of Fire Underwriters and the Ohio Fire Underwriters Association, the Union and Bureau field clubs, will meet in Columbus, the gathering having been postponed one week because of the election. On Nov. 11, a dinner will be given in Columbus for C. T. Deatrick, who recently retired as state agent of the Home. John H. Gray is chairman of the committee in charge of the dinner.

Improvements at Toledo

A number of important fire protection measures are pending in Toledo such as the new fire alarm headquarters, drill school for firemen and the new building code.

Fire Preventionists Speak

Allen C. Guy, Western Adjustment, Columbus, addressed the school children at Worthington, O., Monday on fire prevention. On Tuesday W. J. Gildorf of Columbus spoke before the Chamber of Commerce at Greenville. R. S. Tidrick also spoke at St. Marys and Mr. Gildorf at Dayton.

Changes in Ohio Agencies

Glenn M. Pine, Washington, O., incorporated his agency, which will be known as Pine's Insurance Agency. Frances White will be a partner. C. B. Wise has sold his agency at Stoutsville, O., to Elson Dozer. M. J. Waldron has sold his agency at Kent, O., to Forest B. Bryant.

Miss Jeannette Amstutz, who has been in the insurance business at Sterling, O., has married J. M. Blair of Akron and will reside in the latter city. However, she intends to continue her agency at Sterling.

CENTRAL WESTERN STATES

BRANCH OFFICE AT JOLIET

Western Adjustment Announces That A. G. Milne Has Been Placed in Charge of Work

The Western Adjustment announces the opening of an office at Joliet, Ill., in charge of A. G. Milne, resident adjuster. Mr. Milne was formerly attached to the Peoria, Ill., staff. He joined the adjustment company in February, 1921, and previous to that time was connected with Marsh & McLennan. He is a competent and satisfactory adjuster.

Offices have been secured at 214 Rialto Square building.

R. S. Stratton, formerly of the St. Louis office, has been assigned to the Peoria, Ill., staff, succeeding Mr. Milne. He was employed by the Western Adjustment in January, 1925. He is a qualified attorney, having been admitted to the St. Louis bar, and is considered a first-class adjuster.

J. L. Madden to Speak

James L. Madden, former manager of the insurance department of the United States Chamber of Commerce, and now vice-president of the Metropolitan Life, will be one of the main speakers at the annual meeting of the Illinois chamber of commerce in Chicago this week. It is likely that Wayne Hummer, local agent at La Salle, will be elected president.

USING INSURANCE AS DECOY

Michigan Department After Unscrupulous Collection Agencies Operating in Detroit

LANSING, MICH., Oct. 16.—Unscrupulous collection agencies operating in Detroit are doing the institution of insurance untold damage by using the names of insurance companies as decoys in tracing down alleged debtors, it was revealed here this week by Michigan department officials who have been investigating these practices in cooperation with the attorney general's department, the prosecutor's office of Wayne county and the state police.

Two of the most frequent offenders brought to the department's attention are agencies using the names, "Federated Life Insurance Company of Ohio" and the "Wolverine Health and Accident Insurance Company." They have sent communications not only to the persons from whom they wished to collect but to friends, relatives, employers or business acquaintances in which they invariably referred directly to "policies" which they were holding "of great importance" to the person sought.

One "Company" Discontinues Business

In at least one instance brought to the department's attention, one of these misleading letters has been sent to a widow who, of course, believed that the mysterious "policy" meant a windfall and appealed to the department to help

her collect. She had, before requesting assistance of the authorities, gone to the expense of a trip to Detroit only to find that the "insurance company" had changed its address and she could not locate it.

R. M. Wade, second deputy commissioner, who has been conducting the investigation for the insurance department, has received from Charles Lambert, chief investigator for the Wayne prosecutor's office, confirmation of the department's suspicions in regard to the "Wolverine Health & Accident" and the "Federated Life." Mr. Lambert said he understood the Wolverine "company" had discontinued business and left the city, evidently motivated by the campaign waged by the insurance department. He was told by Robert B. Kenton, manager of the Detroit offices of the Federated Life, that this company's name was being used solely to trace delinquent debtors and Kenton promised to discontinue this phase of the business, pending adjustment of the matter with the department. Mr. Wade immediately dispatched a letter to Kenton threatening penalization if this practice is continued.

Indiana Notes

At Laporte, Ind., salvage covers for use

by the fire department in preventing unnecessary water damage at fires have been purchased. The firemen have been sent to attend the Chicago drill school for instruction.

Daniel J. O'Keefe of Fort Wayne, Ind., has been elected a member of the board of directors of the Fort Wayne chamber of commerce. He will serve on the board as a member from the insurance and housing bureau of the organization.

Michigan Notes

The Maxwell Agency at Detroit, formerly Morley & Maxwell, has removed its office to 2020-2022 Union Trust building in that city.

The Critchell Insurance Agency of Detroit, which is now located in the Dime Bank building, will move Nov. 1 to the Fidelity Trust Company building, Griswold and Congress streets. It has just been given the general agency for the New Century Casualty of Chicago.

A new central fire station which will also house the fire alarm system is to be provided at Muskegon, Mich. A new building code is pending there. A fire prevention code, drill tower and sounding equipment are needed. The chamber of commerce has no fire prevention committee.

A new building code has been adopted in Aurora, Ill., which has no fire prevention committee in its business organization.

STATES OF THE NORTHWEST

PORTH ELECTED PRESIDENT

Milwaukee Board Holds Annual Meeting—Advertising Campaign in Newspapers Receives Members' Approval

MILWAUKEE, Oct. 16.—Monroe Porth of Ed Porth & Sons, was elected president of the Milwaukee Board at the annual meeting here. He succeeds Fred J. Lewis, president of the George H. Russell Company.

B. A. Lehnberg of Chris Schroeder & Son Company was elected vice-president of the board, Emil P. Hunkel re-elected secretary and William F. Lynch of the Blatz-Kasten Agency was elected treasurer. Directors chosen for a three-year term are Fred J. Lewis, J. C. Brown, of Dick & Reuteman; William Pfleger of the Pfleger Agency. L. C. Hilgemann of Leedom, Miller & Noyes was elected a director to fill the unexpired one-year term of B. A. Lehnberg, who was named vice-president.

Members of the board commented very favorably on the advertising which has been run in Milwaukee newspapers about the Milwaukee Board in conjunction with the advertising of the National Board. It was declared that the advertising has been successful and has brought the attention of the insurance buying public of Milwaukee to the functions of the board and acted as a medium of good will. The advertising campaign will be continued.

FREEDY AND BENNETT ON WISCONSIN AGENTS PROGRAM

MILWAUKEE, Oct. 16.—Commissioner Milton A. Freedy will address the annual convention of the Wisconsin Association of Insurance Agents in Milwaukee Oct. 29. Walter H. Bennett, secretary-counsel of the National Association of Insurance Agents, will represent the National association on the program.

Officers of the Wisconsin association declare that interest in the convention this year is greater than it has been in many years. An innovation of the 1929 convention is the one-day session, with a get-together luncheon followed by a round table conference. There will be

no banquet in the evening, as the officers are arranging a large theater party and other entertainment, and the luncheon will take the place of the banquet.

Rogers Features Superior Inspection

At the invitation of Mayor George E. Detreich, the Wisconsin State Fire Prevention Association is conducting a two-day inspection and educational campaign in Superior this week. Plans are being made for a public meeting at a dinner. "Smoky" Rogers will put on his "fire clown" act before the school children of the city.

Blue Goose Gatherings Resumed

MILWAUKEE, WIS., Oct. 16.—The Wisconsin Blue Goose held its first luncheon meeting since the summer recess on Monday with sixty ganders in attendance. Hereafter the Wisconsin home nest will hold luncheon meetings on the first and third Monday of each month.

Frank Goldthorp, special agent for the American Central, and supervisor of the flock, presided in the absence of P. F. Lewis, most loyal gander. Brief reports on the grand nest meeting in San Francisco were made by Grand Wielder Paul E. Rudd, Aetna, Walter E. Atwater, Caledonian, a past most loyal grand gander, and founder of the Blue Goose, and Raymond T. Gravenstine, Hanover, and past most loyal gander of the Wisconsin home nest.

St. Cloud to Be Inspected

Under the auspices of its civic organizations, the Minnesota State Fire Prevention Association will inspect St. Cloud, Minn., this week. Arrangements have been made to have a city fireman and a Boy Scout accompany each team of inspectors. A public meeting will be held at a dinner at which the principal speaker will be R. W. Schimmel, state agent of the Fire Association.

Report on Grand Nest Meeting

MINNEAPOLIS, Oct. 16.—The first fall meeting of the Minnesota Blue Goose was held Monday. R. L. Hanson, most loyal gander, presided. The main business of the gathering was the reports of Mr. Hanson and C. F. Butz, delegates to the Grand Nest meeting.

The Minnesota pond entertained Sunday about 30 delegates and their wives who returned from the grand nest meeting, via the Canadian route. The party stopped off for one day and Minneapolis

LOYAL TO PRINCIPLE—TO LOYAL AGENTS, LOYAL

NEAL BASSETT, President

A. H. HASSINGER, Vice President

JOHN KAY, Vice President

WELLS T. BASSETT, Vice President

JANUARY 1ST, 1929, STATEMENTS

ORGANIZED 1855 FIREMEN'S INSURANCE COMPANY OF NEWARK, NEW JERSEY

ASSETS	LIABILITIES	CAPITAL	NET SURPLUS	SURPLUS POLICYHOLDERS
\$56,065,676	\$19,562,550	\$13,500,000	\$23,003,126	\$36,503,126

ORGANIZED 1853 THE GIRARD F. & M. INSURANCE COMPANY OF PHILADELPHIA, PA.

\$6,036,606	\$2,834,468	\$1,000,000.00	\$2,202,138	\$3,202,138
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ORGANIZED 1854 MECHANICS INSURANCE CO. OF PHILADELPHIA, PA.

\$4,881,357	\$2,770,413	\$600,000.00	\$1,510,944	\$2,110,944
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ORGANIZED 1866 NATIONAL-BEN FRANKLIN FIRE INS. CO. OF PITTSBURGH, PA.

\$5,021,040	\$2,502,744	\$1,000,000.00	\$1,518,297	\$2,518,297
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ORGANIZED 1871 SUPERIOR FIRE INSURANCE CO. OF PITTSBURGH, PA.

\$4,837,240	\$2,492,229	\$1,000,000.00	\$1,345,011	\$2,345,011
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ORGANIZED 1870 CONCORDIA FIRE INSURANCE CO. OF MILWAUKEE, WIS.

\$5,359,805	\$2,486,092	\$1,000,000.00	\$1,873,712	\$2,873,712
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ORGANIZED 1886 CAPITAL FIRE INSURANCE CO. OF CONCORD, N. H.

\$666,599	\$196	\$300,000.00	\$366,403	\$666,403
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TOTAL OF ASSETS
\$82,868,323.00

TOTAL OF LIABILITIES
\$32,648,692.00

TOTAL NET PREMIUMS
\$23,808,303.00

WESTERN DEPARTMENT

844 Rush Street
Chicago, Illinois

H. A. CLARK, Manager

Assistant Managers

H. R. M. SMITH

JAMES SMITH FRED. W. SULLIVAN

EASTERN DEPARTMENT

10 Park Place
NEWARK, NEW JERSEY

CANADIAN DEPARTMENT

461-467 Bay Street
TORONTO, CANADA
MASSIE & RENWICK, Limited,
Managers

PACIFIC DEPARTMENT

60 Sansome Street
San Francisco, California

W. W. & E. G. POTTER,

Managers

JOHN R. COONEY, Assistant Manager

LOYAL TO PRINCIPLE—TO LOYAL AGENTS, LOYAL

S. O. S.

The General Agent realizes the imperative need that Local Agents have from time to time for immediate information and assistance in the field, closing new business, conserving lines, or judging conditions surrounding certain risks.

J. L. DAVIS, INC.
Alabama
BIRMINGHAM, ALA.
COATES & RAINES
Arkansas
LITTLE ROCK, ARKANSAS
L. B. LEIGH & COMPANY
Arkansas
LITTLE ROCK, ARKANSAS
EDWARD BROWN & SONS
Pacific Coast and Rocky Mountain States
SAN FRANCISCO, CALIFORNIA
COBB, MILLER & STEBBINS
Colorado, Wyo., N. Mex., Kansas and Utah
DENVER, COLORADO
DALY GENERAL AGENCY, INC.
Colorado, Wyoming and New Mexico
DENVER, COLORADO

STANDART & MAIN
Colorado, Wyoming and New Mexico
DENVER, COLORADO
HURT & QUIN, INC.
Georgia, Alabama, So. Carolina and Florida
ATLANTA, GEORGIA
A. H. TURNER
Va., N.C., S.C., Ga., Fla., Ala., Tenn., Miss. & La.
ATLANTA, GEORGIA
GEORGE L. RAMEY AGENCY
Indiana
INDIANAPOLIS, IND.
KANSAS UNDERWRITERS
Kansas, Missouri and Oklahoma
WICHITA, KANSAS
MILLER-STUDEBAKER AGENCY
Kansas
TOPEKA, KANSAS

SNYDER BROS. GEN. AGENCY
Kentucky and Tennessee
LOUISVILLE, KENTUCKY
BLACK, ROGERS & CO., LTD.
Louisiana
NEW ORLEANS, LOUISIANA
JAS. B. ROSS
Mississippi and Louisiana
NEW ORLEANS, LOUISIANA
STECKLER-WAGNER, INC.
Louisiana and Mississippi
NEW ORLEANS, LOUISIANA
J. H. GOOD GENERAL AGENCY
Missouri and Kansas
KANSAS CITY, MISSOURI
REYNOLDS BROTHERS
Nebraska, Colorado and Wyoming
FREMONT, NEBRASKA

[All offices participating in this publicity are members
of the Association of Fire Insurance General Agents]

Service

The General Agent has a number of trained men right on the job, co-operating with his local representatives. These men answer S. O. S. signals from the field at once. They are constantly helping the agent in every way they can to build a more profitable business.

W. S. WILKINSON
North Carolina
ROCKY MOUNT, N. C.

AMERICAN AGENCY COMPANY
Oklahoma
TULSA, OKLAHOMA

THE T. E. BRANIFF COMPANY
Oklahoma, Texas and Kansas
OKLAHOMA CITY, OKLAHOMA

L. N. EWING COMPANY, INC.
Oklahoma
TULSA, OKLAHOMA

E. J. HEAVNER & CO.
Oklahoma
TULSA, OKLAHOMA

PHIL GROSSMAYER CO.
Oregon
PORTLAND, OREGON

JOHN M. COGLEY, INC.
South Dakota
SIOUX FALLS, SOUTH DAKOTA

HOLLISTER, DUX & HOLLISTER
South Dakota
SIOUX FALLS, SOUTH DAKOTA

DEXTER BROS. & WHEELER
Texas
DALLAS, TEXAS

GEO. M. EASLEY & CO.
Texas
DALLAS, TEXAS

T. A. MANNING & SONS
Texas and Arkansas
DALLAS, TEXAS

TREZEVANT & COCHRAN
Texas, N. Mex., Okla., Ark. and Louisiana
DALLAS, TEXAS

FLOYD WEST & CO.
Texas
DALLAS, TEXAS

LOUIS E. ENGLISH, INC.
Virginia and North Carolina
RICHMOND, VIRGINIA

GORDON & BROWN
Virginia, West Virginia and North Carolina
RICHMOND, VIRGINIA

[All offices participating in this publicity are members
of the Association of Fire Insurance General Agents]



Furs Protect Milady But Who Protects the Furs?

When Jack Frost puts in his first appearance, thousands of fur coats are taken out of summer storage from vaults, moth bags, and clothes closets, to protect milady against the cold—but who protects the furs?

Ask McGee!

An All Risks policy has been devised, to protect furs in all situations—while being worn, in the home, in storage or wherever they may be. The rate is 2% per annum, with a minimum premium of \$8.00. A special policy is drawn up for furriers. Either form is a profitable policy to add to your line!

The Fur All Risks policy is just one of the more than fifty unusual coverages offered by McGee & Company through local agents. It will pay you to find out about them.

Send for Complete Booklet Describing All Coverages Offered
IF YOU DON'T KNOW WHERE TO PLACE IT

ask M'GEE

MARINE—AVIATION—ALL RISKS

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Vice-President and Western Manager
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Insurance Stocks

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111 West Monroe St.
CHICAGO

Telephone Randolph 4460

QUOTATIONS APPEAR REGULARLY IN THE NATIONAL UNDERWRITER

insurance men furnished cars to take the delegates on a tour of the Twin Cities in the morning and to Lake Minnetonka during the afternoon.

Many Fires in Prevention Week

MILWAUKEE, Oct. 16.—By some ironic twist, fire prevention week in Milwaukee was marked by an unprecedented number of fires, culminating on fire prevention day with a fire which destroyed the Milwaukee city hall tower with a loss of \$30,000.

First Prevention Meeting Held

MILWAUKEE, Oct. 16.—The annual fire prevention school of the Milwaukee safety division started last evening when the first of four conferences on fire prevention was held for those responsible for fire protection and prevention in the city's large industrial plants.

Frank R. Daniel, chief engineer for the Wisconsin Inspection Bureau, and chairman of the school, gave the address of welcome. Frank S. Dickson, counsel of the National Board, Chicago, was the principal speaker at this meeting, talking on "The National Ash Heap."

The second meeting of the school will be held Oct. 29. On Nov. 12 fire waste in industry will be the topic and at the final session, Nov. 26, Roy L. Nicholson, state agent in Wisconsin for the Michigan Fire & Marine, will be the principal speaker.

Warns Against Heating Defects

MILWAUKEE, Oct. 16.—With eight months of heating plant use ahead, and with heating plant defects the leading cause of fires in the state of Wisconsin, J. E. Florin, superintendent of fire prevention for the state industrial commission, has issued a warning to property owners and local fire inspectors of cities and towns throughout the state urging them to make a close and careful inspection now of every part of the heating plants under their care, and to at once remedy dangerous and defective conditions.

Wisconsin Notes

An explosion and fire caused by gas being freed in the basement of a two-story bakery store and apartment building in Pewaukee, Wis., when a gas main was struck by an automatic ditcher working near the building on Oct. 12,

Milwaukee Chief



MONROE PORTH

Newly Elected President of the Milwaukee Board

caused property damage estimated at \$20,000.

The three fire patrols maintained by the Milwaukee Board answered 143 alarms in September and 16 special duty calls. The patrols traveled 421 miles and 602 spread stock covers and 10 roof covers.

Minnesota Notes

Mayor W. F. Kunze of Minneapolis addressed members of the Insurance Club of Minneapolis at a luncheon meeting Oct. 15.

Frank R. Cullen, private secretary to former Mayor George Leach, has become associated with the Minneapolis office of William B. Joyce & Co.

The four-year record of Goodhue, Minn., was scorched the other day by the first fire since Feb. 16, 1925. This village of 200 homes had not suffered damage from fire in four years, six months and 24 days, which is believed to set a record. Damage was less than \$200.

IN THE MISSOURI VALLEY

HENDERSON TO BE IN CHARGE

Well Known Kansas City Life General Agent Will Be Manager of Osgood Office

KANSAS CITY, MO., Oct. 16.—The W. A. Osgood Agency will continue, for a while at least, under the Osgood name, according to an announcement by Mr. Osgood, who was recently appointed vice-president of the Independence Indemnity. William B. Henderson, for 25 years general agent of the National Life of Vermont in Kansas City and also agent for the Corroon & Reynolds group, will assume active direction of the agency's affairs upon Mr. Osgood's departure for Philadelphia early next week.

Ownership of the agency by an incorporated group will provide greatly increased facilities. There will be added an aviation insurance department in charge of an underwriter. This man, yet to be named, will be trained at the Independence Indemnity home office before going into the field. The territory formerly covered by the agency will be considerably extended to include a part of Missouri. The special agents working this territory will be in close association with the Corroon & Reynolds group agents throughout the state, particularly on casualty and surety lines. The fact that the Corroon & Reynolds group have a controlling interest in the Independence makes this possible.

A service office in charge of Donald E. Chilcoat will be maintained at the

Henderson agency, located at 924 McGee street.

Mr. Osgood will leave Kansas City this week for Philadelphia. He will visit the company's agencies in St. Louis, Cincinnati, Pittsburgh, Wheeling, W. Va., and elsewhere on his way.

HOBBS URGES KANSANS TO BUY FROM LICENSED AGENTS

TOPEKA, KAN., Oct. 16.—Charles F. Hobbs, Kansas insurance commissioner, likely will receive the thanks of most of the insurance companies licensed in Kansas as he is receiving the thanks of the licensed agents. Last week he sent out a public notice to all the newspapers of the state urging the people of Kansas not to purchase insurance except from licensed agents in licensed companies.

The department has received a large number of complaints from counties along the borders of the state relative to insurance policies in unauthorized companies. Of course, the department is unable to do anything about these claims as the companies and the agents are not within the jurisdiction of the state. The warning which Mr. Hobbs issued may have a salutary effect and came as the result of a considerable number of complaints arriving at the department within a few days, some of them on life and fire policies but chiefly upon accident policies.

Nelson and Corbert Guests

WICHITA, KAN., Oct. 16.—N. K. Nelson, past most loyal gander of the Kan-

sas Blue Goose, and E. J. Cobert, local agent at Garden City, were guests at the regular Monday luncheon meeting of the Central Kansas Field Men's Club here.

N. Dekker of the American Fore reported on the World Series, having spent last week in Chicago, and C. E. Bleckley gave a report of the annual meeting of the Kansas Fire Prevention Association. It was decided to arrange a joint meeting with the Wichita Insurors.

To Take Testimony in December

TOPEKA, KAN., Oct. 16.—The taking of the oral testimony in the 150 fire insurance rate suits in the United States district court for Kansas is to begin in December, according to an agreement reached by attorneys for the companies and the state. R. J. Folonle of Chicago, general counsel for the companies, spent several days in Topeka last week studying the material already filed by the companies and in conferences with the state relative to the taking of the testimony.

Jayhawk Buys Two Agencies

TOPEKA, KAN., Oct. 16.—Ralph Marshall, head of the Jayhawk Insurance Agency of Topeka, has obtained control of the Burley Agency and Shawnee Agency here and has consolidated them with the Jayhawk. Mr. Marshall formerly had charge of the insurance division of the Jayhawk Realty Company. About a year ago he purchased the insurance branch of the business and established the Jayhawk agency. L. P. Hell, manager of the Shawnee Agency, has joined with Mr. Marshall and will be associated in the management of the Jayhawk Agency.

K. C. Fire Losses Reduced

KANSAS CITY, MO., Oct. 16.—Fire losses in Kansas City in September this year were \$38,279 compared to \$180,928 for September, 1928, according to Fred N. Snyder, superintendent of records at fire headquarters. This is the lowest record for any month since 1920. Total losses this year are \$246,000 less than for the corresponding period in 1928.

Field Men Address Clubs

At Boonville, Mo., last week O. D. Cox, Missouri State agent for the American of Newark, addressed 40 members of the Rotary Club and James R. Curran, special agent New York Underwriters, spoke before the Kiwanis Club.

As a result of these meetings, the Boonville chamber of commerce entered the city in the inter-chamber fire waste contest.

River Trip for Cat's Meow

ST. LOUIS, Oct. 16.—The Order of Cats Meow has announced that its annual Halloween celebration will be held this year in conjunction with a week-end river excursion to Griggsville, Ill., on the Illinois river. The steamer Cape Girardeau will be used for the trip. The excursion will leave St. Louis at 3 p. m., Oct. 26, and return at 6 a. m., Oct. 28. Invited guests and their families will be permitted to enjoy this special pilgrimage of the Cats and their kittens.

Company Wins Smudge Damage Case

LINCOLN, NEB., Oct. 16.—Owing to an equal division in the supreme court on appeal, a judgment in favor of the company on a smudge case is allowed to stand. This is said to be the first supreme court decision in such a case.

The assured had an oil burner and accidentally left the furnace door open. The burner smoked for several hours, sending smoke and soot through the house. As the fire itself never came in contact with any part of the house or its contents and damage ceased when the furnace door was shut, the lower court held that damage from such a cause was not contemplated in the insurance contract. The case was that of Coryell vs. Old Colony.

Fort Dodge Board Elects

FORT DODGE, IA., Oct. 16.—The Fort Dodge Fire & Casualty Underwriters organized last week with the following officers elected: W. V. Mulroney, president; W. J. Carter, Sr., vice-president, and Charles Minogue, secretary.

The association has adopted a resolution whereby it will sponsor a "trade at home" campaign in which the chamber of commerce, retailers' bureau and other organizations of the city are cooperating. It is the hope of the association that

it will establish more thorough and friendly cooperation among the business and professional men in all lines.

Wichita Wants 1930 Meeting

Lee Webb, president of the Wichita Insurors, presided at the regular meeting of the association last week, the meeting being devoted almost entirely to plans for attending the annual meeting of the Kansas Association of Insurance Agents which is being held in Dodge City this week. An effort is being made to have the 1930 meeting held in Wichita.

Kansas September Losses Increase

TOPEKA, KAN., Oct. 16.—The report of Douglas A. Graham, state fire marshal, shows that Kansas' September fire losses were \$425,630 from 209 fires and was an increase of \$167,419 over the corresponding month in 1928. This was attributed to two large fires during the month, one of over \$100,000 when Fairmount Hall at Wichita University was totally destroyed, and the other the conflagration which swept three blocks at Rozel causing a larger loss.

Attorney Fee Award Upheld

LINCOLN, NEB., Oct. 16.—The Dwelling House Mutual of Lincoln, Neb., has been ordered to pay the attorney fees of J. C. Messing, in a suit brought by the company to set aside a judgment he had obtained on a policy. The statutes provide for attorney fees in contested insurance cases, but the company took the ground that this was not an insurance contest but a suit on a judgment. The award of \$150 made by the lower court was increased to \$250 in the supreme court.

Topeka May be Self-Insurer

TOPEKA, KAN., Oct. 16.—The city officials are working on a plan whereby the city will carry its own insurance and the large premium accounts of the city will be turned into an insurance sinking fund. Mayor W. O. Rigby and the members of the city commission have been studying the plan for some time and it has developed to the point where the city attorney has been asked to ascertain the legality of the scheme.

Iowa Notes

The convention of the Iowa Association of Mutual Insurance Associations will be held Nov. 21-22 in Des Moines.

The insurance agency of J. D. Burrell, Iowa City, Ia., has been taken over by H. I. Jennings of that city.

O. J. Davis, state agent for the Home of New York, addressed the Des Moines real estate board last week on fire prevention.

A general inspection of the Davenport, Ia., fire department has begun under direction of the National Board. Robert F. Goodhue, engineer for the board, is making the inspection.

William F. Grandy, Jr., who completed four years at Phillips Exeter and two years at Yale, has been appointed assistant to Harry Pratt, vice-president and general manager of the insurance department of the Grandy-Pratt Company, Sioux City, Ia.

Kansas Notes

A general store, lodge hall and barber shop were destroyed by fire Oct. 11 at Princeton, Kan., 10 miles south of Ottawa, entailing a loss of \$18,000. The town is without fire protection and a total loss resulted.

R. E. Greiner, local agent of Winfield, Kan., formerly of the Greiner Agency of Pratt, was reelected secretary of the Kansas Building & Loan Associations at their annual meeting in Wichita last week. Will H. Thompson, prominent agent of Hutchinson, Kan., made an address at the banquet.

Nebraska Notes

Fire at Clinton, Neb., consumed the property of the Clinton Elevator Company, including considerable stored grain. The damage to building and contents, \$25,000, is fully covered by insurance.

The plant of the Glenn-Smith Fuel Company in Omaha was destroyed by fire with loss of \$75,000. The company has been manufacturing briquettes and the blaze was caused by a motor spark igniting coal dust.

Fire Chief Hansen of Lincoln has established a station in the newly-ac-



Maid Returns Missing Necklace

Valuable Necklace disappeared from home. Assured insisted Servants all above suspicion, but permitted Adjuster to question them, admonishing him against making accusations. After questioning supposedly honest maid for more than three hours, she returned necklace to adjuster.

JEWELRY INSURED AGAINST "ALL RISKS" THROUGH

A. F. SHAW & CO., Inc.

Insurance Exchange
Chicago, Ill.

75 Maiden Lane
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General Agents—"All Risks" Department
Saint Paul Fire & Marine Insurance Co.



Fall Fires

Many things start in the fall. Business activity, school and college, social events, football—

Fires also are apt to start. Long neglected flues may give trouble when furnace fires are rekindled. You should remind your clients and friends to have their flues cleaned.

Fall months are excellent months for insurance selling. Returned vacationists and tourists are ready to talk business. Why not suggest that they start out on the right foot by having their insurance needs looked after. Offer to review their policies and check up on the values to see if their insurance meets their needs.

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ESTABLISHED IN THE UNITED STATES
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**FIFTY YEARS
OF CONSTANT AND
LIBERAL SERVICE
TO ASSURED AND AGENTS**

Writing

**FIRE, TORNADO, EXPLOSION, RIOT
MOTOR VEHICLE, EARTHQUAKE
INLAND MARINE, AUTOMOBILE**

GILBERT KINGAN
President
HARTFORD, CONN.

CHARLES E. DOX
Manager Western Dept.
CHICAGO, ILL.

WM. W. GILMORE
Manager
SAN FRANCISCO

quired suburb of College View, and assigned a full crew with headquarters in the city hall to the work. A volunteer department had formerly sought to protect the property in the town of 3,500 persons.

Missouri Notes

G. R. Gardner, president of the Merchants Fire of Denver, who has completed a four weeks' motor tour of the

middle west, announces that Fred A. Collier of St. Louis will represent the company in his city.

St. Louis' system of cash-in-advance-with-each-alarm in dealing with fire calls from St. Louis county resulted in the complete destruction of the garage and automobile repair plant of Harold Briggs at the Gravois road and Frisco Railway tracks in Affton, Mo. The loss was estimated at \$50,000.

STATES OF THE SOUTHWEST**SAY AGENTS GET SHORT END**

Dallas Firm Declares That the Present Commission Arrangement Is Not Very Satisfactory

DALLAS, TEX., Oct. 16—Blanton, Thomas & Co., local agents in this city, say that after completing two months under the commission arrangement as per order of the insurance commissioner issued Aug. 1, they find that so far as they are concerned the 20 percent flat commission rate will mean a loss of \$5,000 to \$6,000 a year. A member of the firm states that it opposed the change. In addition to the monetary loss there has been much extra work in making up the accounts. This firm at least favors the old plan.

Blanton, Thomas & Co. feel that the rates on dwellings and contents should be reduced sufficiently to take care of the 15 percent arbitrary reduction. This firm does not see any advantage of making up a dwelling house rate and then deducting 15 percent which makes additional work and complicates the situation. In addition to making the 15 percent reduction in the ordinary rate there is a further reduction of 6 percent in Dallas on account of the meritorious fire record.

Blanton, Thomas & Co. do not believe that the situation in this city has been improved because of the 20 percent order. It is reported that a large mortgage company here that does not write its policies but brokers its business is receiving 20 percent commission. The number of brokers has materially increased during the last two months. Blanton, Thomas & Co. say that it is more difficult to secure new business and even to hold renewals under the existing order.

Propose Heavy Program at Tulsa

TULSA, OKLA., Oct. 16.—A report of Fire Chief Pitts, submitted to the mayor, indicates that improvements in the fire fighting system of the city within the next three to five years will require expenditure of \$495,000. His recommendations cover construction of a new fire alarm building to replace the present structure and placing all fire alarm wires underground. A larger fire station, located farther east, should replace the one at 1011 East Third street and a new fire station is needed at Admiral boulevard and Louisville avenue. A station to serve the new section south of 31st street and one in the northeast part of the city are included in the recommendations.

Cotton Gin Fires Continue

Fires in Texas cotton gins continue to cause heavy damage. Among the more recent losses are those of Hurst Brothers, near Nacogdoches, \$25,000; E. L. Hardin, Georgetown, \$50,000; Dobson Brothers, Chambersville, \$30,000; W. D. Grant, Graham, \$25,000.

Oklahoma Notes

J. C. McElroy, actuary of the Oklahoma insurance board, was in Chicago this week on department business.

The weekly meeting of the Fire & Casualty Underwriters of Oklahoma City, Saturday noon, adjourned to hear the address of Roger Babson, noted statistician, at the chamber of commerce.

Read "Removing the Mystery from U. & O." by Foster. Price, \$1.25. Order from The National Underwriter.

CHAIN STORE PLAN IS SOUGHT

Companies Want Arrangement Similar to That of Interstate Underwriters Board in Texas

AUSTIN, TEX., Oct. 16.—A request for the Texas board of insurance commissioners to create for Texas a plan for fire insurance coverage of chain stores similar to the Interstate Underwriters Board, which operates in all states except Texas, has been presented to the Texas board by Col. William Thompson, Dallas insurance attorney, and representative of 20 companies operating in Texas. The plan used by the Interstate Underwriters Board includes inland marine coverage also.

Under the provisions of the plan requested for use in Texas, all of the chain stores would receive coverage under an average rate, with each store making a monthly report and receiving either decrease or increase in rate according to the report made at the end of the month.

Colonel Thompson told the Texas board that foreign companies are reaping the profit from coverage of chain stores in Texas while the companies licensed in Texas are not receiving any of the profits because of the absence of a system similar to the Interstate Board.

Operation of the Interstate Board is banned in Texas by the state's anti-trust laws, and the statutes empowering the Texas board of insurance commissioners to set rates.

The Texas board is expected to hand down a decision on the request within two weeks.

Plan Course for Insurance Women

OKLAHOMA CITY, Oct. 16.—A program of education is being formulated by the program committee of the Oklahoma City Insurance Women's Association, according to Miss Vera Harper, president. The study will include schedules, policy contracts and other subjects of interest in bettering the operation of an insurance company's office. Speakers are being secured, and a course of study along these lines is being outlined. The next meeting will be Oct. 23.

Rankin Wins Golf Tournament

OKLAHOMA CITY, Oct. 16.—Ned Rankin, special agent for the National of

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Fidelity and
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Hartford, was winner in the Blue Goose golf tournament which closed Sunday afternoon. Finals were played off at the Oklahoma Golf & Country Club, with Mr. Rankin defeating Jack Rone, Sun, 5 and 3, and John Willinson, Trezevant & Cochran, 6 and 4.

Texas Notes

Fire Sunday morning destroyed a machine shop and threatened the million dollar elevator of the Southern Pacific

Company at Galveston, Tex. Combined efforts of the city fire authorities and the fireboat resulted in saving 800,000 bushels of grain stored in the elevator.

The Emporium, a women's ready to wear house in Dallas, was gutted by fire of unknown origin. The loss was \$50,000.

A blaze in a hardware store at Houston, carrying a large line of ammunition, caused a property loss of \$75,000.

C. L. Babcock has bought a substantial interest in the general agency of H. L. Austin of Beaumont. This agency has been in existence for 13 years.

IN THE SOUTHERN STATES

GOOD TENNESSEE SPEAKERS

Quaid, Schofield, Gandy and Dean Already Secured for Annual Meeting of State Association

NASHVILLE, TENN., Oct. 16.—Those who are entrusted with shaping up the program for the annual meeting of the Tennessee Association of Insurance Agents are very proud of the personnel of both the fire and casualty executives who are to appear on the program. Extra efforts are being put forth for a large attendance of local agents. Charles B. H. Loventhal, president of the Nashville Insurance Exchange, is appointing committees to see that convention courtesies shall not be lacking, among the social features being a dinner the evening of the first day, golf, rides, sightseeing and last but not least a football game on Saturday that will be exciting enough for the greatest lover of that sport.

Quaid a Headliner

One of the headliners at the business session will be William Quaid, executive vice-president of the Southern Fire, whose terse truths as related to co-operation of companies and agents have attracted attention the country over. Every agent attending the national convention at Detroit remembers with genuine pleasure and profit the speech of E. J. Schofield, vice-president of the Standard Accident, who will be on the program. Charles L. Gandy of Birmingham, president of the Alabama association, will represent the National association. Much has been said and probably more thought of agents' commissions. J. M. Dean, one of the outspoken local agents of the country and president of the Memphis Insurance Exchange, is to talk on "Agents Commissions."

STECKLER NEW BUREAU HEAD

Louisiana Organization Holds Annual Meeting in New Orleans—Rate Increase Proposal Important Issue

Henry A. Steckler was elected president of the Louisiana Rating & Fire Prevention Bureau at its annual meeting in New Orleans near the end of last week. Other new officers are: Vice-president, W. P. D. Bush, and secretary-treasurer, R. P. Strong.

The new board of directors includes Messrs. Steckler and Bush, Fire Marshal R. J. Gregory, Sr., and in addition R. H. Colcock, Jr., F. E. Potter, C. J. Wyckoff, W. E. Leake, W. B. Sullivan, R. M. Pons, J. L. de Treville, John X. Wegmann, Douglas Watson, Gibson Stevenson, T. P. Williams and E. A. Rachal.

The chief matter pending in Louisiana now is request of the bureau to the insurance commission for fire rate increases on a statewide basis, which it is expected will meet strong opposition. The increases asked are: Protected frame dwellings, 25 percent; unprotected brick and frame dwellings, farm property, woodworkers, and lumber yards, 33 1/3 percent.

A cash surplus of more than \$31,000 was reported at the meeting.

BRISTOW PICKED FOR POST

Expected to Succeed Button as Virginia Commissioner of Insurance and Banking

That Myron E. Bristow will probably succeed Col. Joseph Button as Virginia commissioner of insurance and banking is the prevailing impression in state capital circles. Although Commissioner Button relinquished the post Oct. 15 to become president of the Union Life of Richmond, it is understood that the state corporation commission, in which the appointment of the commissioner is vested, does not contemplate naming Colonel Button's successor until around Nov. 1.

While he has been giving his entire time to supervising the state banking department for the past six years and is rated as an expert in this type of work, Mr. Bristow is not without knowledge of insurance matters. In 1920 he organized the local agency of Wilson, Hallett & Co., at Cape Charles, Va., and was actively associated with it for three years, retiring in 1923 when he entered the service of the state. During the World War, in which he served as an ensign in the naval supply corps, he was detailed to make a study of life insurance so as to instruct the personnel of the navy in the meaning and value of war risk insurance.

If he is named to succeed Commissioner Button, it is generally understood that Charles B. Coulbourn, actuary of the insurance division of the department, will be named deputy commissioner and will be entrusted with supervision of most of the detailed work of that division, while Mr. Bristow would exercise supervision over both the banking and insurance divisions, giving special attention to the bank supervisory work. Mr. Coulbourn served for several years as deputy commissioner of insurance under Colonel Button before the two departments were merged last year.

Gorham Succeeds Meserole

LOUISVILLE, Oct. 16.—At a meeting of the Kentucky Bureau Field Club in Louisville Monday, Charles H. Gorham was advanced from the vice-presidency to the presidency to fill a vacancy caused by the resignation of R. O. Meserole of the Crum & Forster group, who was recalled to the New York office a few weeks ago.

Mr. Gorham is well known as field representative of the Fireman's of New Jersey group, and a man with vast experience in company field work. H. J. Whittier of the Rhode Island was named vice-president to succeed Mr. Gorham.

Row Over Reappointment

Members of the Louisiana insurance commission are in a row over the reappointment to the commission of John D. Saint, removed by Governor H. P. Long. Under the law, one member of the commission is named by the governor, one by the secretary of state and one by the attorney-general. The governor has the power to remove.

John D. Saint was removed by the governor, and reappointed by the attorney-general. When he presented his new commission, Commissioner Mouton submitted a resolution refusing recognition of the appointment, explaining that

1794

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Assets\$7,896,724.12

Increase in 1928 \$808,948.21

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Increase in 1928 \$528,106.08

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CHICAGO OFFICE ATLANTA OFFICE SAN FRANCISCO OFFICE
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under a decision of the court of appeals an officeholder removed from office by the governor could not be renamed to the post. Mr. Saint is a nephew of the attorney-general.

Refund \$200,000 in Kentucky Case

FRANKFORT, KY., Oct. 16.—To date \$200,000 of the \$750,000 that must be refunded to the Kentucky policyholders by the fire companies has been paid over to Clell Coleman, state auditor and distributor of the fund. The drafts are being paid at the rate of \$10,000 a day. The average amount of each draft is \$1.25, with a large number running as low as 1 cent. It is rare that a draft runs over \$100.

Allen Enters Augusta Agency

R. E. Allen, Jr., who for several years has been with the local agency firm of Blanchard & Calhoun, Augusta, Ga., has purchased an interest in the agency of John B. Murray & Co. of Augusta. He is the son of R. E. Allen, Sr., who for many years operated J. V. H. Allen & Co., one of Augusta's oldest agencies. Mr. Allen, Sr., is now with the Georgia Rating & Inspection Bureau.

Inspect Nashville

NASHVILLE, TENN., Oct. 16.—Richard E. Vernor, manager of the fire prevention department of the Western Actuarial Bureau, Chicago, and T. Alfred Fleming of the National Board spoke at the inspection here Monday, with field men from all parts of Tennessee in attendance.

Pay Tribute to Stuart

LOUISVILLE, Oct. 16.—A memorial to the late Eugene G. Stuart, special agent of the Hudson, was read at the monthly meeting of the Kentucky Blue Goose Monday. At this meeting it was decided to arrange the usual dinner and dance in connection with the annual meeting of the Kentucky Fire Underwriters Association on Nov. 26.

To Inspect Corbin

At the invitation of the civic bodies, the Kentucky State Fire Prevention Association will make an inspection of Corbin this week. Talks will be made in the schools and the pupils will have

a parade, following a series of fire drills. One of the features of the program being arranged for the occasion is a run by the fire department.

Annual Meeting Date Set

LOUISVILLE, Oct. 16.—The Kentucky Fire Underwriters Association has arranged to hold its annual meeting and election of officers on Nov. 26. At the last meeting a motion to change order of meeting from monthly to quarterly was tabled. Some members are opposed to monthly meetings, contending that with monthly meeting of the Blue Goose and Kentucky Fire Prevention Association it takes up too much time. Others feel that the organization is functioning well and should carry out the old program.

Board to Start School Soon

LOUISVILLE, Oct. 16.—The Louisville Board is about ready to start its school of instruction for solicitors and young members. To date a total of 31 applications have been received, from those desiring to take the course, according to Leo Thiemann, executive secretary.

Protest Alabama Farm Rates

BIRMINGHAM, ALA., Oct. 16.—The County Agents' Council of Mobile county has protested against country insurance rates in that county and a committee headed by W. C. Vail has been organized to consider the feasibility of a farmers' mutual. The farm bureau is said to be sponsoring the movement.

Virginia Notes

Property loss from fire which destroyed a portion of St. James Episcopal Church at Leesburg, Va., last week is estimated at \$40,000, partly covered by insurance.

Miss Elizabeth McClung Gibson, daughter of George A. Gibson of the Richmond, Va., local agency of Gibson, Moore & Sutton, was married Oct. 12 to John Delafeld DuBois, prominent young attorney of New York.

The Richmond city council is considering the question of adopting an ordinance providing for the charge of a reasonable fee for services rendered by its

fire department in counties adjacent to the city.

Kentucky Notes

R. A. Palmer of Palmer & Barnett, Atlanta, Ga., southern managers for the Fire Association, was a recent visitor in Louisville.

It is reported that the Bradshaw &

Well agency, Paducah, Ky., has a deal pending whereby it is planning to take over and merge in another agency in that city.

The Lexington Insurance Agency, Lexington, Ky., has filed articles of incorporation. Incorporators are Arthur G. Miller, T. V. Forman and Barron O. Paulconer.

ON THE PACIFIC COAST

FARM SCHEDULE IS APPROVED

Special Meeting to Be Called to Consider New Basic Table for Washington

OLYMPIA, WASH., Oct. 16.—At a recent meeting of the Washington advisory committee, approval was voiced by the companies operating in Washington to the farm rating schedule prepared by the Washington Survey & Rating Bureau. The farm schedule now has the endorsement of local agents in Washington, special agents and fire insurance companies. The companies at the same time adopted the provisional deposit premium form of coverage for Washington, which is similar in nature to that used in California. It starts from a basic rate, from which deductions can be made or are allowed for construction features mitigating the fire hazard.

The committee also discussed at the meeting the general basic schedule developed by J. K. Woolley, manager of the Washington Survey & Rating Bureau. So important was the subject considered that a special meeting of the Washington advisory committee will be held, at which time full consideration will be given to it. Part of the city of Seattle has been surveyed and rated according to the makeup of the proposed schedule with results characterized as gratifying by Arthur M. Brown of Edward Brown & Sons, chairman of the Washington advisory committee.

REPORT MADE ON PASADENA

National Board Engineers Tell About the Fire Fighting Facilities of the City

In reporting on Pasadena, the National Board engineers show the fire loss for the last five years, \$391,937, the average loss per fire being \$530 and the loss per capita \$1.07. The engineers say that the water supply sources are adequate and reliable. The distribution system mainly is of satisfactory capacity but the small size and wide spacing of hydrants prevent the delivery of adequate quantities for fire protection in many parts of the city. The fire department is well trained and mainly well equipped but undermanned. The fire alarm system is somewhat inadequate in central office equipment with unreliable circuit conditions. It is well maintained but needs extensions and additional boxes. Owing to the large buildings or groups of buildings of inferior construction, the engineers say that severe individual or group fires may be expected in a number of blocks. The fire fighting facilities, however, are mainly good and such fires should be prevented from spreading beyond the block of origin. Fires in the industrial districts should not involve any extensive area.

Win Utah Tax Fight

Opponents of the proposal to increase insurance taxes in Utah from 1.5 to 2 percent, who renewed their fight before the state tax revision commission this week, have won more than they asked for, for the legislative advisory committee on taxation went on record as willing to place a limit in the state constitution of 1.5 percent on net premiums as the proper amount that insurance companies should be taxed.

Much Interest in Convention

With the entire membership of the Oakland Association of Insurance Agents and the recently organized East Bay Insurance Exchange already registered for the annual convention of the California Association of Insurance Agents being held in Oakland Nov. 7-9, indications are that it will be one of the largest gatherings ever enjoyed by this organization. Interest is being manifest in every part of the state, particularly southern California which, it is expected, will send an unusually large delegation, according to P. S. W. Ramsden, secretary.

Helena Water System Criticized

HELENA, MONT., Oct. 16.—Rearrangement of the Helena water system to enable greater utilization of the supply and to provide greater protection against fire was suggested in a report submitted to Mayor Witmer and the Helena commercial club by R. A. Moncrieff, resident engineer for Montana operations of Chas. T. Main, Inc., of Boston. The report followed a survey of the city water system instituted at the instance of the taxpayers' committee of the commercial club, improvements, expense of which is borne by the city.

Severe criticisms of the system were made in the report by Mr. Moncrieff both in the method of management and in the distribution of the supply. The introduction of a meter system to regulate and conserve the present supply and reorganization of the various plants to provide greater protection against fire were urged emphatically.

Discussing fire protection, Mr. Mon-

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Chicago

450 Rooms
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Clark Street-
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Managers



Hotel Russell-Lamson
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300 Rooms

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ROOSEVELT HOTEL
PENN AVENUE AT SIXTH STREET
600 ROOMS
IN THE CENTRE
OF THE TRIANGLE
OVER 300 A DAY
ROOMS AT \$3 AND LESS
ALL WITH SHOWER OR TUB
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FAMOUS FOR FOOD
AT REASONABLE PRICES
GARAGE IN CONNECTION
L. FRED KLOOZ—PRESIDENT

PITTSBURGH

The A & H Review

A monthly magazine for health
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chief points out that the excessive domestic demands coupled with inadequate supply lines constitute a serious hazard. He criticizes severely lack of pressure in certain districts and undermined fire department, an inefficient fire alarm system, defective building laws and inadequate inspection and supervision of new construction.

Move Into New Tucson Building

TUCSON, ARIZ., Oct. 16.—A number of prominent Tucson insurance men have secured offices in the new 10-story Consolidated National Bank building which has just been opened at Congress and Stone avenues.

Those who are moving into the new building are John M. McBride, the Pacific Coast Adjustment Bureau, the Perine Realty Company, L. Roca and William M. Pryce.

Changes in Management Expected

SAN FRANCISCO, Oct. 16.—It is expected that changes will be made in methods of conducting the business on the Pacific Coast by the America Fore group following the visit of President Paul Haid of the group, and B. M. Culver, vice-president of the Niagara, who are now in San Francisco. A. L. Merritt has been resident secretary of the America Fore group for a number of years, while the Niagara has been under the management of Edwin Parrish, vice-president. The Fidelity & Casualty is managed by Channing B. Cornell.

Dumont Explains Organization

SAN FRANCISCO, Oct. 16.—John R. Dumont, manager of the Interstate Underwriters Board, addressed a joint gathering of members of the Pacific Board and the Board of Marine Underwriters in San Francisco last Monday. Mr. Dumont explained in detail the plans and the methods of the Interstate organization.

Pacific Northwest Field Changes

E. J. De Voe of Spokane has been named state agent in Washington for Hinchman, Wentz & Miller, succeeding G. A. O'Sullivan.

J. W. Bristow, appointed special agent in Oregon and southern Idaho for the Connecticut and Westchester, has opened offices in Portland, Ore., at 330 Sherlock building. He formerly traveled that territory for the Pacific States Fire.

Open Season on Blue Geese

E. L. Dee, special agent for the New York Underwriters, and F. J. Sullivan of the Pacific Board, officers of the Montana Blue Goose pond, were the targets for three shots on their return flight, from the fall meeting of the Montana Special Agents Association and the Blue Goose at Helena. They were traveling by auto via Elk Park Canyon en route to Butte, and were fired upon by unidentified persons hiding in the brush near the highway. Neither was hit.

Survey Outside Insurance

George C. Newell, well known Seattle local agent, has been appointed as chairman of a committee to make a survey of Seattle firms operating in the city, which place insurance outside of the state, and will recommend measures to remedy this condition.

Will Have Phoenix Puddle

LOS ANGELES, Oct. 16.—At the regular monthly meeting of the California Blue Goose in Los Angeles Friday, S. T. Ogilvie, southern California special agent for the C. A. Colvin office, and Leo J. McGinn, special agent for the Royal, were elected to membership. Jack L. Barr, head of the Barr general agency in Phoenix, Ariz., was added to the list of ganders who will form the founder-membership of the projected Phoenix puddle. A delegation of ganders and officers from the California pond, headed by Most Loyal Gander E. L. Gilbert, will hold a special meeting at Phoenix Oct. 28 to induct into the order the Arizona ganders who will form the new Phoenix unit.

Pacific American May Expand

LOS ANGELES, Oct. 16.—Richard M. Carr, assistant manager of the Pacific American Fire, returned to the home office in Los Angeles last week from a three weeks' trip north as far as Vancouver, B. C., with glowing reports of business conditions in all Pacific Coast states. Mr. Carr was accompanied part of the way by D. W. Pierce, Sr., execu-

tive vice-president and general manager of the company, who continued the trip east on an extended business tour. Possibility that the Pacific American Fire may open new offices in the north was expressed by Mr. Carr, with the statement that plans are being made for the opening of additional agencies.

Los Angeles Exchange Elects

LOS ANGELES, Oct. 16.—Eugene Battles, insurance manager for R. A. Rowan & Co., was reelected president of the Los Angeles Fire Insurance Exchange at the annual meeting last week. Other officers elected were: Egbert Van Alen, vice-president; H. G. Bobey, secretary, and I. O. Levy, treasurer. The governing committee for the ensuing year consists of Gerald A. Rule, Fred H. Bagley, Harry Lee Martin, E. H. Morrison, J. E. Crawford, H. M. McKnight and Everett Charlton.

Contest Butte Condemnation Suits

BUTTE, MONT., Oct. 16.—Objections to Butte's campaign against "shacks," on the grounds that condemnation of buildings is in violation of rights guaranteed under the United States constitution, were filed by attorney for owners of the Windsor Hotel, located in the heart of the business district, recently condemned by State Fire Marshal Brooks.

The protests declare that the Montana statute under which the proceedings were brought is in violation of the 14th amendment to the United States constitution, and is void and of no effect.

The Montana statute relating to removal of dangerous structures and to proceedings for the abatement of such dangerous structures was amended by the 1929 legislature, with the idea of making all proceedings, after the examination by the state fire marshal, subject to judicial examination, and is patterned generally after the Minnesota statute. The amendment also recognizes that the owner has certain constitutional rights with reference to private property.

Condemnation proceedings against 18 Lewistown buildings, classed as dangerous structures, will be started immediately by Fire Marshal Brooks.

Harris to be Feted

On Nov. 4 the convention committee chairmen and the members of the Glee Club of the San Francisco Blue Goose will hold a "letting down party." It is a party of appreciation and compliment to J. Charles Harris, past most loyal grand gander, whose efforts brought the last meeting to San Francisco.

Utah Agents Seek More Time

SAN FRANCISCO, Oct. 16.—The Pacific Board is meeting here today to consider a request made by the local agents of Utah for more time in which to comply with the provisions of the separation edict. The agents claim that under an agreement entered into several years ago, whereby rates were stabilized, more time will be necessary in order to meet the new conditions. It is expected that the request will be granted following a report by the committee of the board which attended the meeting of local agents in Salt Lake City.

Coast Notes

Mrs. Mary W. Bliss, wife of Walter E. Bliss, superintendent of agents of the North America in San Francisco, died very suddenly last week.

The Ajax Fire has been admitted to membership in the Pacific Board. The company is represented in that territory by Kenneth Medcraft.

D. Scruggs, for the past seven years associated with the insurance department of C. B. Perkins, Tucson, Ariz., is now

Immediate Service

The enviable record for promptness created through years of striving to provide immediate service to agents and their clients is guarded religiously by Iowa National Fire. Agents have grown to expect it and build business on it. You, too, can build your business on this service that makes and holds customers.

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WHEELING, WEST VIRGINIA**

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Surplus to Policyholders \$447,420.22

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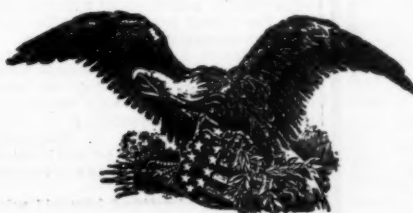
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Ward S. Jackson, manager of the Pacific department of the North River and United States Fire, was in Butte, Mont., last week, accompanied by State Agent C. A. Stephens.

Claude E. Casady, identified with the

automobile insurance business at Seattle for the past fifteen years, has resigned as manager of the automobile department of General of America and will hereafter engage in general brokerage business in Seattle, specializing in aircraft, automobile casualty and fire. He will be located in the new Exchange building.

IN THE MOUNTAIN FIELD

WANT COMPANIES IN LINE

Western Automobile Conference Urges
Supervisory Committee to Act on
Those Violating Rules

At the joint meeting of the supervisory committee at Colorado Springs a complaint was made of the practices of a few companies that are members of the Rocky Mountain Fire Underwriters Association with regard to automobile violations. These companies are not members of the Western Automobile Underwriters Conference but the Rocky Mountain association adopts the rules and rates of the Western Conference and its members are supposed to abide by them. It is stated that these companies are causing more or less trouble

and an appeal was made to the Rocky Mountain body to get them in line. There was no complaint against members of the Western Automobile Underwriters Conference as they live up to the rules very faithfully.

Report on Auto Thefts, Recoveries

DENVER, Oct. 16.—The annual report of the automobile theft bureau of the Mountain Field Club indicates 356 cars were stolen from Oct. 1, 1928 to Sept. 25, 1929, against recoveries of 395 cars. Thefts were distributed as follows: Colorado, 266; Wyoming, 31; New Mexico, 42, and outside or uninsured, 17. A total of 63 outside or uninsured cars were recovered on information developed by the Mountain Field club office. H. P. Giberson, Gas & Electric building, Denver, is chairman of the auto theft bureau. In September the bureau reports 28 cars stolen and 23 recovered.

EASTERN STATES ACTIVITIES

QUESTION OF LAW IS CLOSE

Agent May Be Held Liable for Failure
to Transfer to New
Location

A question of law as to the liability of an insurance agent for failure to transfer a policy is now before the United States district court at New York, in the case of Genuine Panama Hat Works, Inc., vs. Edwin J. Webb, Concordia Fire and Royal.

The assured obtained insurance through Webb, an agent, covering its property against loss by fire at Beacon, N. Y. After the issuance of the policies, the assured purchased a factory building at Beacon, N. Y., into which to move its manufacturing business, including machinery, furniture and fixtures, and claims that the agent Webb agreed to transfer the coverage, so as to protect the assured's property against loss and damage by fire in the new building. No transfer was made.

After a loss the companies denied liability. The assured sued and joined Webb, as a codefendant. On motion to dismiss Webb the court stated in its opinion, that the question of law was a close one, but felt "that the ends of justice would best be met by a denial" of the defendant Webb's application for a dismissal.

The question of law is interesting and important in insurance circles, with respect to the personal liability of an agent of an insurance company even though his principals are disclosed.

Change in Stamford Agency

The Rhinehart-Hoyt Agency of Stamford, Conn., announces a change in its name to the L. D. Rhinehart Agency, due to the strengthening of the organization by the addition of Charles B. Smith, Jr., for many years one of the outstanding insurance men of that city.

Mr. Smith has acquired an interest in the agency and will become one of its vice-presidents. Lional D. Rhinehart will be president and treasurer; Mr. Smith the vice-president in charge of insurance; Leonard C. Merrell, vice-president in charge of real estate, and Lillian B. Travis, assistant treasurer and office manager.

Mr. Smith identified himself with L. D. Rhinehart in 1917 and later when Mr. Rhinehart purchased the controlling interest in the Frank H. Hoyt agency became treasurer of the merged organization, which began business in 1919.

Mr. Smith retired from the connection in 1921 and started in the insurance business for himself, organizing the Smith & Nichols agency. This interest was sold in 1925 and Mr. Smith has since been out of the insurance business.

Insurance Society Has First Meeting

BOSTON, Oct. 16.—A lively entertainment and interesting speeches were provided for the first fall meeting of the Insurance Society of Massachusetts. Harold A. McKenna reported on the membership drive. About 100 new members were secured the first week of the campaign. It is desired that 1,000 new members be secured before Nov. 1. President Leslie E. Knox presented the prizes won at the recent golf tournament of the society.

Capt. Horace W. Hutchins, Jr., of the Somerville fire department, fire prevention squad, gave an address on the development of fire prevention work, appropriate to Fire Prevention Week. Edward F. Flynn, assistant district attorney of Essex county, spoke on the operation of the criminal courts.

McCarthy Succeeds Shepard

H. B. Shepard, New England special agent for the Northern of New York, having resigned to enter the United States forestry service, the Northern announces the appointment of George M. McCarthy to succeed him. Mr. McCarthy will make his headquarters with Patterson, Wyde & Windeler in the Insurance Exchange building, Boston.

Mr. McCarthy is a native of Boston and received his first training with the late Edward C. Brush, formerly New England manager of the Pennsylvania Fire. He was a clerk in the Patterson, Wyde & Windeler office, special agent of the Standard of Hartford in New York state; special for the Scottish Union & National for eastern Massachusetts and Rhode Island and goes from the latter position to the Northern.

Pennsylvania Department Reports

Licenses were issued last month by the Pennsylvania insurance department to 474 insurance brokers, a decrease of 24 over the same month of last year. Fees paid to the department by the brokers amounted to \$5,332 as compared with \$4,728 for September, 1928. There were 1,602 agents licensed, or a drop of 367 since August.

Clubs Form Entertainment Bureau

HARTFORD, Oct. 16.—A number of prominent local insurance clubs have joined to create the Insurance Clubs' Entertainment Bureau, an organization for the purpose of furnishing free entertainment to charitable institutions in Hartford and vicinity. The entertainers listed with the bureau are employees of various insurance companies who are

willing to donate their time and talents for charity work. H. O. Boberge of the Two-Hartfords Men's Club is president of the bureau. Other officers include Irene Cahill, Aetna Life Girls' Club, vice-president; Miss E. Heroux, Rossia, secretary; Philip Montgomery, Aetna Life, treasurer; R. O. Fowler, Connecticut General Life, historian.

Harrisburg Association Reorganized

HARRISBURG, PA., Oct. 15—Officers have been chosen for the newly incorporated Harrisburg Association of Insurance Agents. The organization takes the place of the old Insurance Association of Central Pennsylvania.

The officers elected are all residents of Harrisburg and include: William H. Eby, president; E. S. Joseph, vice-president; Clarence M. Thumma, secretary-treasurer; Fred V. Rockey and Albert M. Bell, executive committeemen. The old members of the executive committee whose terms had not expired and were made a part of the same committee in the new organization are Joseph B. Metzger, Stanley D. Adler, L. Frank Bass and E. S. Joseph.

By-laws of the local organization have been made to conform with those of the National Association of Insurance Agents.

East Cambridge Conditions

The increased number of manufacturers located in the East Cambridge manufacturing district at Cambridge, Mass., and the resultant increased use of water has seriously impaired the present water supply facilities in that district. Pressures are insufficient for sprinklers on the upper floors of a considerable number of plants. This situation might be serious in event of a large fire.

Harry L. Riall Retires

BALTIMORE, Oct. 16—Howard W. Jackson, former mayor, has bought the interest of his partner, Harry L. Riall, in the Riall-Jackson Company agency.

The firm will continue under the name of the Riall-Jackson Company, with Mr. Jackson as president; Samuel T. Beale, secretary, and Walter E. Lamar, treasurer. These officers, with Carl A. Jackson, will constitute the board of directors.

Mr. Riall, who is retiring from active

business, was secretary of the Firemen's of Baltimore, which went out of business after the big fire of February, 1904. Mr. Jackson bought a half interest in Mr. Riall's business in 1910.

Hubbard C. of C. Director

Clarence T. Hubbard, assistant secretary of the Automobile and Standard Fire, has been elected a director of the Hartford chamber of commerce, following the resignation of W. L. Mooney, vice-president of the Aetna Life and affiliated companies, because of prolonged absences from Hartford which made it impossible for him to continue in that post.

Ship Scrapping Proves Hazardous

BALTIMORE, Oct. 16—Steps to eliminate the fire hazards connected with Baltimore's ship-scrapping industry have been taken by the fire department.

They were determined upon by officials following two fires in the hulk of the old freighter Lake Fanbush within 24 hours last week. Vessels must be freed of all oil deposits before acetylene torches are applied to them in the process of scrapping. After an inspection of another vessel, the Lake Ellenorah, tied up at the foot of Fallway, it was reported that between 300 and 400 tons of fuel oil was in her tanks.

Eastern Notes

Green-Rovine-Roomin, Inc., of Philadelphia has been chartered to engage in the insurance business. The incorporators are: Alexander L. Rovine, Samuel Green and Maurice Roomin.

George A. Batchelder, 55, president and head of the Batchelder Brothers Insurance Corporation of Sanford, Me., which agency he founded some 30 years ago, died last week from a shock suffered in his office the day before.

The first conviction in the notorious "hat box" fires in Chelsea, Mass., was secured last week when Carl di Pietro was sentenced to three to five years in prison as an accessory before the fact, the principal not being known. The fire was one of several set by "hat boxes" which had been soaked in gasoline, with a candle set in the top and leads of gasoline soaked cotton running from one box to another.

are employed. One consists of a levy of 4 cents per acre, which is universal throughout the province and the other varies among the different rural municipalities, and in some cases brings the total up to 15 cents per acre. For this year the average maximum rates are about 4½ percent and the lowest in some of the preferred areas will be only 2½ percent.

Launch Vancouver Institute

VANCOUVER, B. C., Oct. 16—An insurance institute has recently been inaugurated at Vancouver, to be conducted along the same lines as those at Montreal, Toronto and Winnipeg, and will be affiliated with the Insurance Institute of America. F. W. Rounsefell has been elected honorary president; G. L. Schetky, president; Seymour Johnson, vice-president, and Steven Dixon, secretary-treasurer.

Will Increase Its Capital

The Dominion of Canada General is increasing its capital by \$300,000. This additional issue will increase the company's paid up capital to \$1,000,000.

Canadian Losses Compared

According to the "Monetary Times," fire losses in Canada for the week ending Oct. 2 are estimated at \$270,700, as compared with \$333,500 for the corresponding week of 1928. From Jan. 1 to Oct. 2 losses are estimated at \$21,721,000, as compared with \$14,855,300 from Jan. 1 to Oct. 3, 1928.

Asks Data on Securities

OTTAWA, ONT., Oct. 16—In a letter to insurance companies, G. D. Finlayson, Dominion superintendent of insurance, requests, in order to secure valuations on insurance companies' securities as soon after Jan. 1 as possible, that all companies reporting to his department furnish a list of securities acquired between Dec. 31, 1928, and Sept. 16, 1929.

MOTOR INSURANCE NEWS

THEFTS OVER \$1 MILLION

Fidelity-Phenix Fire Reports 116,000 Cars Were Stolen During Past Year—Increase in Fall

NEW YORK CITY, Oct. 16.—According to a compilation from authoritative sources by the automobile department of the Fidelity-Phenix Fire, no less than 116,000 cars with an aggregate value of \$81,200,000, were stolen during the past year, by joy riders and "more hardened criminals."

In commenting on the figures the company says: "Many of the latter class of criminals steal expensive high-powered automobiles when they wish to provide themselves with means for a speedy get-away from the scene of a crime. Others help themselves to machines of popular makes, that are fairly uniform in appearance and easily altered, for the purpose of selling them at prices a little under prevailing levels. In certain cities there are organized gangs making a business of dealing in stolen cars. Certificate of title laws in a number of states have had some effect in taking the profit out of motor car thievery, but it is still largely practiced.

"Thefts of cars increase during October and November each year with marked regularity because the approach of cold weather over most of the United States creates a decided moral hazard. Automobiling becomes less attractive than it was during the warmer months, and owners fall into careless ways. In February when spring is approaching, the number of machines stolen almost invariably reaches the low point of the year.

"The police of most of the important cities are active in recovering stolen automobiles. That the stealing of machines has become a more and more hazardous occupation is indicated by the

fact that from 80 to 90 percent of the cars stolen are regained, and a majority of the thieves are arrested and prosecuted. As a rule, the vehicles are found in a damaged condition, or stripped of tires, lamps and other valuable equipment and therefore result in claims for indemnity."

Committee Meets This Week

NEW YORK, Oct. 16.—Unable at the meeting last week to complete the report on the reorganization plan of the National Automobile Underwriters Conference, the managerial committee of 19 will meet again this week, at which time it is anticipated the final touches to the agreement will be made.

Illinois Casualty Expanding

The Illinois Casualty of Springfield, Ill., has been licensed in Missouri and Michigan. It recently entered Iowa. It will make an aggressive drive for business in its new states. It will appoint both general and local agents. The Illinois Casualty is a well managed company writing full cover automobile insurance. This year has been the best in its existence.

More Topics for Texas Hearing

AUSTIN, TEX., Oct. 16.—Four additional topics have been added to the list of subjects concerning automobile insurance to be discussed at a hearing of the Texas board of insurance commissioners here Oct. 29.

The new topics include elimination of state approved rates and forms for foreign coverage provided for in the casualty manual; privilege extended to all companies to offer forms or endorsements appropriate for any automobile insurance coverage they desire to write in Texas; privilege of offering suggestions on blank forms for gathering statistical information on automobile insurance from any interested party, and discussion of open lot storage by dealers, including fire and theft coverage.

IN THE CANADIAN FIELD

SIX YEARS' FIGURES GIVEN

Dominion Commissioner in Report Says Total Cost of Fires for That Period Exceeds \$6,000,000

OTTAWA, ONT., Oct. 16.—Fires in the Dominion of Canada the last six years have cost more than \$6,000,000,000 in value of property destroyed, insurance premiums in excess of losses paid and installation and maintenance cost of fire protection, the Dominion fire commissioner states in a statistical report prepared under sponsorship of the Dominion Fire Prevention Association and the Association of Canadian Fire Marshals.

This shows the total cost in 1928 was \$102,697,849, of which, however, only \$36,402,018 was value of property destroyed. The report shows that Canadian fire losses have been about on a level for the last six years, varying between \$32,000,000 and \$48,000,000. Total fire loss for the last six years has been \$392,672,822. The average per capita loss is about \$4.35, although it varied from as low as \$3 to \$6.11, average insurance rate per \$100 has decreased from \$1 in 1923 to 87 cents in 1928, and loss per \$100 of value, from 52 cents to 33 cents.

About four-fifths of the fire loss has been insured, the total insured loss last year having been \$29,016,083, as compared with \$7,303,487 uninsured loss.

Chevrier Made Quebec Manager

The Halifax Fire has appointed Nelson Chevrier manager for the province of Quebec in succession to J. Marchand. Mr. Chevrier is well known in Montreal, where his headquarters will be, and throughout the province.

WILL COVER ALL OF CANADA

New Board Formed by Fire Companies to Consider Good Practices in Dominion

A single organization of fire companies, with jurisdiction throughout Canada, is now being formed. Members of the new board comprise incorporated fire insurance companies transacting business in Canada, which also belong to the various tariff associations in the provinces in which they operate. Each member will be represented at meetings by a head office official. Leonard Howgate of Montreal is acting secretary of the board. John G. Borthwick, Canadian manager of the Caledonian, inaugurated the movement and acted as chairman of the committee which brought about the organization.

Encouragement of uniformity, correct practices and sound methods of underwriting in Canada are the chief objects of the board. Questions of expense, including commissions, brokerage, etc., will undoubtedly be given consideration.

Fixes Low Hail Rate

SASKATOON, SASK., Oct. 16.—The Saskatchewan Municipal Hail Insurance Association, which handles between 40 and 50 percent of the total business written in the province of Saskatchewan, has announced that the average hail insurance rate delivered in Saskatchewan this year will be the lowest ever fixed by the association. This has been a banner year for all companies writing hail insurance in the west and a loss ratio of something like 25 percent is reported by the stock companies as against a ratio of over 100 percent the past two or three years.

In the municipal association two rates

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(CONTINUED FROM PAGE 5)

Graded Dues Scale Adopted

By another change the chairman of the board of directors would be elected and the president would appoint four more members. At the session following lunch the action of the executive committee in incorporating the association was ratified and the new constitution and by-laws were adopted. It was also decided to make the new scale of dues effective for the year beginning Sept. 1, 1930.

Channey Miller Speaks

Chris Zoercher of Tell City, as chairman of the committee on resolutions, presented a code of ethics for adoption, which is in line with that tentatively adopted at Detroit and carrying in it the changes that have been made since.

(Continued from page 3)

"As far back as man can remember, at least 99 percent of the agents who are stockholders have, without thinking, signed the proxies, mailed them back and entirely dismissed the matter from their minds, or casually dropped these proxies in the wastebasket. The crying question is, why do agents who, to the extent of many millions of dollars, are holders of stock in fire companies deliberately refuse to exercise their inalienable rights.

Would Welcome Agents

Kinship Will Develop

"In my own city a leading agent, a real competitor of mine, has just been elected a director of one of our great fire companies. This man will be one of the greatest assets this company has, because he will bring to the directors and its officials no divided alliance, but an intimate picture of the problem of the producer, of the opportunity of the producer and not the least, of the ability of the producer—the local agent. Is it not fair to assume that he in turn will tell his fellow agents something of company problems as he for the first time internally knows and understands them."

Casualty Has Contact

"And when we say, 'reach for a solution instead of an excuse,' I suggest that this first solution be a sincere and an all-accepted plan that we may know each other better in the legitimate, sensible and immediately available opportunity which I have just indicated. I know that there is hardly an agency where it does not have at least a small stock holding in some company which it represents. Here the agent does not have to fight for the right of suffrage. He has already paid for it. He is entitled to it. As he joins his voice in company councils and takes back to agency councils the things he has learned at first hand, men knowing each other better will hate each other less."

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**WHAT to Know About
Automobile Insurance**

Goodwin Reviews Agency Problems

(CONTINUED FROM PAGE 3)

is a condition brought about over a period of years by company greed for business and by competition.

"We realize that it is going to take a period of time to do away with the non-policy-writing agent. We have allowed this condition to proceed to a point where we cannot be fair to our cooperating companies by requesting an immediate discontinuance of this system. We must give our cooperating companies time to educate their non-policy-writing agents to the point where they can become policy-writing agents—at least a large majority of them—so when the time comes to do away with the non-policy-writing agent the premium loss will not be as great as it would be at the present time. If the present system of non-policy-writing agents should be discontinued immediately it would in a great many cases result in this type of agent transferring his business to the non-board, cut-rate and excess commission-paying company which would be of no benefit to the legitimate producer and considerable detriment of the cooperating company. Consequently this matter will have to be handled in fairness to all concerned but to the ultimate end that the non-policy-writing agent will cease to exist."

Condemns Non-Cooperators

Mr. Goodwin was vehement on the subject of non-cooperating companies. "Oh, if I were only able to express to you my feelings on this subject! With so many good, large cooperating companies existing in this country today, how any agent or any producer believing in the future of his own business and believing in cooperation and organization can continue to represent any company placed on the non-cooperating list, is far more than I can understand. Why any agent will allow his acquaintance-ship for some individual or some special agent or for some special favor to himself influence him in continuing to represent a non-cooperating company is beyond me, and as far as I, personally, am concerned I would go still further and under no conditions represent any company in the same fleet or under the same management that had a company in that fleet or management on the non-cooperating list."

Mr. Goodwin pointed out the necessity for stronger agency organization to "resist the temptation of excessive commissions and special favors that the business cannot stand and the public will not stand."

"From a company's standpoint and from the producer's standpoint," he said, "the insurance business of today is in a very peculiar condition or position. It might be likened to a large massive office building partly filled with well paying tenants. Under this building lay stacks of dynamite and from that dynamite stretching across the street is a fuse. The fuse is lighted and if the burning end reaches the dynamite the structure will be severely damaged and income to the owners curtailed, but the expense to the owners will go on. Attacking the fuse between the burning end and the contact point are a large number of cooperating companies and cooperating agents. If they are successful in breaking the fuse the danger is past. The structure will continue to fill up with paying tenants and go ahead to a successful conclusion to the owners, but if unsuccessful, serious damage to those owners will result. That, to me, is the condition of the insurance business today."

Well-Balanced Organization Necessary

"If certain difficulties can be overcome, certain conditions rectified, then the insurance business will proceed on a more even keel than ever before. But if, on the other hand, the dynamite should explode I am very fearful of the

results for the next few years to come, not only from the company standpoint but from the producer's standpoint. Politics will undoubtedly enter into the picture to the detriment of the producers and the public. Therefore, for this reason, if for no other, a large, conservative, well-balanced agency organization is necessary, an agency organization whose members are able to resist the temptation of excessive commissions and special favors that the business cannot stand and the public will not stand. The insuring public will always allow reasonable compensation to the agency force but will not stand any remuneration that is excessive and when some companies in their greed for business offer more and pay more than the business should pay, the public will not stand for it, and it is then that the politicians will enter into the picture and unfortunately, when they enter they undoubtedly will not stop at the fair point but will make laws to affect every angle of the business and that will be detrimental to the business for years to come."

Expiration Notices May Create Good Will

R. C. Dreher, publicity manager for the Boston and Old Colony, in his house organ calls attention to the fact that the character of expiration notices sent out to customers should be carefully studied as to the impression that they leave. Mr. Dreher believes that these notices play a very important part in the success or failure of an agency. Notices may be very cold and formal, radiating no warmth or appreciation. They are purely conventional and do not have a spark of life in them.

For instance, Mr. Dreher asks whether a notice like this will leave any impression except that of lack of warmth and sentiment.

Dear Mr. —:

To make sure that you will not be without protection we are notifying you well in advance that your Policy No. — in the — Company, covering fire, theft, collision, and property damage, which you kindly allowed us to write, expires next month, —. The liability policy expires January 13, 1929.

To say that we would like to renew it would be putting it mildly. We appreciate having your name on our books and trust that you will see fit to let us continue this policy for you. The cost will be \$—. Please let us know as soon as possible so that we can have the policy in your hands before the old one expires.

If you would like to discuss the matter, or perhaps consider some other form of insurance, don't hesitate to let us know. We'll be grateful for the opportunity.

Sincerely,

Mr. Dreher says:

"Now, if you received that letter instead of an icy one, there might be a different story. The letter just suggested breathes sincerity, appreciation, and the desire to serve, and it accomplishes its purpose. Incidentally, there is real salesmanship in the last paragraph. Read it over. Note particularly the suggestion that perhaps you need additional insurance."

"Don't consider the expiration notice as merely routine. Give it serious thought. Examine it through the critical eye of the non-insurance man, to see if it has those elements that reduce loss of renewals and increase new business, personal influence, friendly relations, and salesmanship. It is cheaper to keep an old policyholder sold than it is to get a new one to take his place!"



SALES IDEAS AND SUGGESTIONS

Helpful Hints for Fire and Casualty Insurance Producers

Spencer Welton Says Insurance Offices Should Be Department Stores, Offering All Forms of Indemnity to Their Clients

Spencer Welton of New York, vice-president of the Union Indemnity, spoke before the annual meeting of the Ontario Fire & Casualty Agents Association in Toronto this week. He said the modern agency is an insurance department store supplying all kinds of protection. He said:

The modern insurance business is rapidly becoming a department store. Merged companies or groups have organized themselves to supply practically all the insurance requirements of the individual. Within the last month at the annual convention of the insurance commissioners of the United States, it was suggested, as I recall it, that companies should be allowed to write all lines including life insurance. That may be a revolutionary thought but why isn't it a sound one if the company which becomes really multiple line has adequate supervision?

Many agencies have established life insurance departments and a number have told me that they have become the chief source of revenue in the agency. I venture to prophesy that the successful agency of the future will operate a life department as a matter of course and that the ones who don't will fall behind in the procession.

Has Big Advantage

The agent who represents the present type of group has a tremendous advantage but in the United States, at least, relatively few have recognized and thus far profited by that. The successful agency of the future must be just as much of a department store as the companies it represents and the principles underlying department store merchandising methods will be used to build up premium volume.

The agent can't have "cut price" or "marked down" sales but he can make a leader of some form of coverage, make a special drive on that for a day or a week and profitably continue the same methods straight through the year. The "leader" doesn't necessarily have to be what is known as a specialty line; the main thing is to focus attention each week on some single form of coverage so that every client of the office who ought to buy that coverage will have it brought to his attention and an effort made to close with him.

Works With Fewer Men

Too many agents write only the obvious lines of coverage for their clients and they are now beginning to admit it. At a group lunch during the convention of the National Association of Insurance Agents at Detroit, one of the leading members of the association, Charles L. Gandy of Birmingham, Ala., told those present that he had at last seen the light and that he is now making no effort to get new clients. Instead, he is giving all his time and thought to the development of the coverage of the assureds already on the books. He is teaching them the importance of being fully covered and at the same time he is giving them new coverage in other lines. He told the meeting that he is amazed to find how much business he had heretofore overlooked and that while he thought he had been properly looking after his clients in the past, he really had not been doing anything of the sort.

Chief executives of big casualty companies tell me that one of the hardest

problems they have to solve is to get the men in the field to sell all lines. In the past the average agent has sold surety and casualty insurance entirely along what seemed to him to be the lines of least resistance. As a matter of fact, the best list of live prospects the agent can have is to be found right in his ledger, for the fact that the names are in the ledger means that the agent has already established himself with the client. He has the entree to his office, he is in a most favorable position to suggest and urge the purchase of greater coverage and new coverage.

Has Able Men Behind It

Any business which has grown in a relatively few years to a total premium volume of over \$1,000,000,000 as is the case with the surety, casualty and miscellaneous lines, must have had a lot of able men behind it. As a matter of fact, I came into this business by way of various manufacturing and mercantile lines. In them I had opportunity to come in close contact with and study administrative personnels and clienteles of concerns whose fields of activity were national and sometimes international in scope. Nowhere, with the possible exception of in banking, have I found them on so high a plane as in insurance.

With that as a foundation, how can we help erecting a superstructure of real service to the insuring public—service which will entitle us to their commendation and to the approval of those honest and intelligent public officials who are charged with the supervision of our affairs.

Merit Rating Plan

Recently, we have had something of an upheaval on the so-called merit rating for automobile liability insurance and we had the unusual spectacle of a meeting at which about 98 percent of the companies writing that business voted for the merit rating plan of rate reduction, at the same time uttering the profound conviction that it was a great mistake.

Some of us, at least, have the feeling that the whole trouble started long ago when the companies adopted the so-called omnibus coverage which permits an entire family to enjoy the benefits of insurance when the underwriting, if any, considers only the individual who heads the family and applies for insurance.

Should Write All Individuals

Some of us believe that if the omnibus coverage were done away with—if we issued insurance to John Smith, owner of a car, after having underwritten John Smith—and then by endorsement extended the cover to include the driving of the car by Mrs. Smith for which an additional percentage will be added to the original premium and then through the same endorsement or by an additional endorsement, extend the coverage to include the operation of the car by additional members of the family but an increased premium rate, we would, perhaps, be able to write the business at a flat 10 percent discount from the old rate which, in effect, what the present merit rating plan amounts to.

Then, let us merit rate the careful driver who buys insurance from us, say on June 1, 1929 by reviewing his record on June 1, 1930. If in that time he has had no losses, let us pay him back 5

percent or 10 percent or some appropriate amount of his premium as a reward for that careful driving. If on June 1, 1931, he has had no accident for two consecutive years, let us pay him back a somewhat larger percentage on that second year's premium.

Giving a man a discount on a year's experience to come in which period he may have several accidents is certainly a highly optimistic proceeding. We have no means of collecting the appropriate premium from the man who does have an accident and costs us a lot of money. Merit rating "after the fact" does away with all need of warranties; it does away with any question of the veracity of the broker or the honesty of the statements made in the application.

Compensation Insurance

Another vexatious problem which is always with us is the writing of workmen's compensation insurance. The most interesting thought on the problem which has recently come to me was uttered by Hobart Porter of Sanderson & Porter, bankers, engineers and nationwide public utility owners and operators. He said, in effect, "Workmen's compensation insurance has so much and such direct bearing on the industrial and economic and business life of the country that it is really a public utility. Sometimes and I think that time is not far removed, it will be recognized as a public utility and given the consideration it deserves. Meantime, it is going through the same kind of difficulties that have been part of the history of all public utilities—telephones, railroads, power and lighting companies and others of the same general type."

Risks That Are Declined

Good managers of casualty companies are generally understood to mean those who hold down management and acquisition costs as well as loss ratios—men who know which risks to accept and which to decline. But, what is to become of those risks which are declined? If insurance is a public utility, what shall be done with the risks which are continually showing a bad experience or which are in hazardous and extra-hazardous classes?

Should the rates be made adequate to carry all losses or should they be held low so that an effort should be made to improve the physical conditions surrounding the risk?

The tremendous number of companies now competing for business inevitably means high commissions, loose underwriting or both, and almost as inevitably the answer is combined loss and expense ratio of over 100 percent.

Spread of the Gospel

The present condition is enormously difficult and I believe Mr. Porter has analyzed it correctly when he says that casualty, particularly workmen's compensation insurance, is a public utility which will eventually receive adequate recognition and Henry Ives has shown us the means to that end when he says that "the picture should be repainted to show what insurance does, not only what it is."

For all of which, there is no better medium than the good insurance agent through his daily contacts with the substantial people of his community.

The more the agents work intensively on their plans, the more they spread the gospel of adequate insurance in all lines, the more will the insuring public recognize that insurance, as an institution, is perhaps the greatest public utility and entitled to fair rates, fair treatment and immunity from political sandbagging.

Annual Transit Is Good Selling Form

BY JOHN H. BYERS

One of the most important inland marine lines is the annual transit policy written in the marine department of companies. Every wide awake agent knows of a manufacturer, wholesaler, dry goods and department store having considerable value at risk, in transit by express, railroad and licensed public truckmen. Every alert agent will map out a plan to cover every prospect completely for his insurance. Not only the plant but all values which are at his client's risk should be covered. The annual transit policy provides the means of his doing such a service.

Insurance Company Rate Cheaper

On shipments by express, if a concern is declaring excess values to the carrier, some agent is not rendering a service by calling attention to the insurance company's policy. The express company's rate is 10 cents per \$100 or part thereof. The insurance companies' rates are cheaper and the coverage the same as granted by the carrier. Insurance companies' rates are based on volume of annual business, starting at 7 cents per \$100 on the smaller accounts and graduated down to 4 cents per \$100 to the largest shippers. The uniform (\$50 limit of liability) receipt is accepted by the shipper and no value declared. The saving in excess charges more than pays for the policy which is therefore looked upon as an investment. This is an excellent selling point. Claims are paid promptly thereby inducing the shipper to include the \$50 limit given by the express company in the annual shipments, letting the insurance company subrogate and wait for payment of loss.

Rail Shipments

Rail shipments are rated also on volume, the rates being graduated from 4 cents per \$100 to 2 cents per \$100. Railroads are not liable for damage due to floods and other acts of God. The recent Vermont and Mississippi valley floods are evidences even under uniform bills of lading which provide higher freight rates to take care of claims which the carrier should admit in full. Released bills of lading take lower freight rates which in the case of household furniture can be released to as low as 10 cents per pound.

Licensed public truckmen often carry just enough insurance as required by law, thereby leaving the shipper without recourse in event of loss with considerable value on the truck. They are also hard to collect from in any event. Rates on truck shipments vary between 7 cents and 10 cents, depending on volume.

Twenty Percent Commission Paid

Shipments by coastwise and Long Island Sound can be included at rates from 12½ cents to 18 cents per \$100. Special form and rates are applied to department stores. Rates based on gross sales ranging from 4 cents to 1½ cents per \$100 of annual gross sales. Minimum premium as applied by the majority of the companies is \$25 per annum. Commission to agent as paid by the majority is 20 percent. Forms and applications are supplied agents and field men are at your service for this excellent policy.

Mr. Byers is special agent marine department St. Paul F. & M. and Mercury.

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Carrier Sues for Recovery of Money Given to Settle Claim, and Is Successful

In Metropolitan Casualty vs. Bader, New York Supreme Court, appellate term, 229 N. Y. S. 81, the company issued a policy providing for indemnity for loss or destruction of a stock of merchandise by water. The merchandise covered was damaged because of the maintenance of a leaky water pipe in the building. The company paid the insured the sum of \$250 in settlement of the loss.

Following this the company ascertained that the insured had received \$325 from his landlord in payment of the identical loss. The company thereupon brought action to recover the amount from the insured that it had paid, on the ground that it was subrogated to the rights of the insured against the landlord.

Case Goes to Appeal

The trial court dismissed the company's complaint on the ground that it had no jurisdiction. On appeal the higher court in reviewing the record, and in reversing this judgment, said:

"Irrespective of the provision of the standard policy providing for an assignment of all right of a recovery against any party to the extent of the payment made by the company, the insurer upon payment of the loss was subrogated to the rights of the insured against the wrongdoer; but this right was defeated when, without knowledge of the plaintiff's claim the landlord, on payment of \$325 for the identical loss, received a release from the insurer. . . .

Entitled to Recover

"The defendant, after the settlement with the insurer having received \$325 from his landlord, the alleged tortfeasor, in satisfaction of the same claim which the plaintiff had settled by payment of \$250, and such payment by the landlord having been apparently made without knowledge of the plaintiff's rights, it would seem that the plaintiff is equitably entitled to recover the amount paid by it in this action for money had and received, which is the form in which courts of law enforce the equitable obligation. . . . It follows that it was error to dismiss on the ground that the court below had no jurisdiction. Judgment reversed."

Two Collision Cases Recently Decided

Plaintiff, while attempting to cross the tracks of defendant in the city of Sioux Falls collided with a train of defendant and the automobile in which he was riding was damaged. Plaintiff claims the accident was caused by the negligence of defendant's employes by reason of their failure to blow the whistle or ring the bell of the engine when approaching the crossing. Defendant pleads contributory negligence on the part of plaintiff in not keeping a proper lookout for the train as he approached the crossing and in not using due care under all the circumstances. Held that when it is considered that the space between the first view and the rail was only 25 feet, that the space within which a safe stop could be made was much less owing to the projection of the automobile ahead of the driver's seat and of the cars of the train over the rail, and after allowing time to look both ways, operate the brakes and come to a standstill the court cannot say respondent was negligent in failing to stop far enough from the track to escape in-

Digest of Latest Casualty Court Decisions

BRIEFS of the latest court decisions affecting casualty insurance are given below. By glancing over them readers will be able to familiarize themselves with the latest legal opinions. If further information is wanted on any particular case it may be had by writing the legal editor of The National Underwriter.

ACCIDENT

False Answer in Application—False answer by an applicant for an accident policy as to whether he had been rejected for a life policy is not sufficient reason for an insurer to cancel a risk and to refuse to pay claim if reason for the rejection was not contributory to cause of accident which resulted in the insured's death.—*Business Men's Assurance vs. Campbell* circuit court of appeals, eighth circuit, 32 Fed. (2d) 995.

Railroad Right of Way Defined—The phrase, "while on a railroad right of way" in an accident policy does not mean the passage over a grade railroad crossing on a public highway by a pedestrian using the usual path, but means walking along the railroad right of way that runs through a street parallel with and between the sides of the street.—*Halloran vs. National Casualty*, supreme court, Orleans county, N. Y., 236 N. Y. S. 171.

Disability Must Be Continuous—Accident policyholder bitten by dog. Insurer pays for time lost due to lacerated thumb and insured waives all further claims growing out of injury. Policyholder returns to work for five weeks and then dies of hydrophobia as a result of the dog bite. Lower court gives widow verdict for death benefit. Appellate court reverses decision and holds that since disability was not continuous from the date of injury the death was not covered by the terms of the policy.—*Betty Smith vs. United States National Life & Casualty*.

Falling Off a Mule Not Covered—Death caused by falling off a mule while hauling a wagon, not covered by clause in an accident policy. "By the wrecking of a taxicab * * * or private horse-drawn vehicle, in or on which the insured is riding or driving."—*Hart vs. North American Accident*, supreme court of Mississippi, 122 So. 471.

LIABILITY

Minor Cannot Sue Parent in Guest Case—A minor child is not entitled to maintain an action against its parents for injury caused by negligent operation of an automobile. A comparison of liability in the case of a child being injured while riding with his parents and a wife being injured while riding with her husband are not analogous. A wife is a separate and independent legal identity while a child is related by blood and has no legal identity giving him the right to contract and sue or be sued in his own name.—*Mesite vs. Kirchstein*, supreme court of errors of Connecticut, 145 Atl. 753.

SURETY

Liability for Treasurer—Surety not liable for corporation treasurer's bond for loss caused by failure of bank in which the treasurer was instructed to deposit funds of the organization.—*Lamberton Building & Loan Association vs. National Surety*, supreme court of Minnesota, 225 N. W. 724.

Deviates From Contract—Contract between a construction company and contractor calls for payment on material of one-half in cash and one-half in notes. Contractor's surety is discharged of its obligation to pay notes given in excess of one-half of the balance due.—*Piel Construction Company vs. Maryland Casualty*, U. S. C. C. A. 3rd Circuit, Pa.

Contract Illegal—Recovery cannot be made on a surety bond when the contract upon which the bond is based is illegal. If a salesman is bonded against embezzlement and sells articles which cannot be legally sold, the insured cannot recover on the bond if the salesman fails to account for certain funds.—*Massachusetts Bonding vs. Gottlieb*, commission of appeals of Texas, 15 S. W. (2d) 1020.

BURGLARY

Exclusion Clause Interpreted—Where show window is broken in jewelry shop and bandit takes valuables from it, even though the insured resists action, the insurer is not liable under a burglary policy because of the exclusion clause pertaining to abstraction of property from a show window by a person who has broken the glass from outside the premises. Jewelry in a show window is under a special hazard and it is the fair intendment of the policy that the insurer assumes no liability for its theft from that place.—*Goldner vs. U. S. Fidelity & Guaranty*, supreme court, appellate division, New York, 235 N. Y. S. 420.

jury. It is one's duty to use due care, but what acts constitute due care under all circumstances cannot be prescribed in advance, and when not so prescribed, whether or not due care was exercised becomes a question of fact for a jury and not one of law for the court. Judgment affirmed. *Morrissey v. C. M. & St. P. Ry.*, Supreme Ct., So. Dakota.

Held that where there is no evidence that the driver of an automobile was acting as the agent or employee of defendant owner nor that defendant owner had knowledge that defendant driver was driving the car or had given defendant driver permission to drive the car, but the uncontradicted testimony of defendant driver was to the effect that

he was on a mission of his own and was using the automobile without the consent and knowledge of defendant owner, the evidence is insufficient to sustain the implied finding of the jury that defendant driver was the agent or in the employ of defendant owner at the time of the accident, and under such circumstances defendant owner is not liable for the negligence of defendant driver. Held further that where the father of defendant driver had signed defendant driver's application for a driver's license, under section 62, subdivision b, of the California vehicle act (Stats. 1923, p. 517), the negligence of defendant driver was imputed to his father and he is liable therefor. *Rock vs. Orlando et al.*, Dist. Ct. Appeals, 1st App. Dist. Calif.

FAILURE TO COOPERATE NOT PROVED AT TRIAL

COURT UPHOLDS ASSURED

Discrepancies in Two Accounts of Accidents Are Held Insufficient to Relieve Company of Liability

In *Guerin vs. Indemnity Insurance Company*, Supreme Connecticut Court of Errors, 142 Atl. 268, the defendant issued a policy covering the operation of an automobile. The policy provided that the insured should at all times cooperate with the defendant in any action brought by a third party to collect on the policy.

The insured met with an accident which resulted in injury to one Guerin. In compliance with the terms of the policy the insured stated to the company the circumstances surrounding the accident, and in this statement it appeared that the insured was not to blame. Guerin filed suit, and on trial the testimony of the insured was not in accord with the statement he had made to the insurance company relative to the circumstances surrounding the accident.

Failure to Cooperate Charged

On this state of facts the company took the position that the discrepancy in the insured's statement and the testimony constituted a failure to cooperate which would prevent a recovery by Guerin on the policy. The trial, however, resulted in a judgment in favor of Guerin. On appeal the higher court in reviewing the record, and in affirming this judgment, said:

"The duty resting upon the assured under this clause of the policy was to render to the defendant cooperation and assistance, presumably assistance in establishing any defense which it might have to an action upon the policy. He signed the statement, giving a version of the facts which tended to exonerate him from blame for the accident. It could hardly be said that this constituted any failure in cooperation with the defendant, but rather the reverse.

Failure Not Proved

"Later, upon the trial, he gave another version of the facts, which was substantially different from and conflicted with his previous statement, and which was practically a confession that the accident was the result of his negligence. It is not alleged or claimed that LeClerc testified falsely upon the trial; indeed, it seems to be assumed by the parties that the court, though the finding does not cover that point, that the version of how the accident happened given by him upon the trial was the correct one. It cannot be said, therefore, that there was a failure of cooperation and assistance by reason of truthful testimony given by LeClerc upon the trial. . . .

"It is not found that there was any failure to furnish information to the defendant, nor that the information furnished was intentionally false. Upon this record it cannot be said that the court erred in reaching the conclusion that there was not breach of this condition of the policy. There is no error. All concur."

Settle Utah Jewelry Case

SALT LAKE CITY, Oct. 16.—The suit brought some time ago by William Schubach, local jeweler, against the American Surety to recover on a burglary policy claimed to have been opened by a combination obtained from the chief clerk of the jeweler on pain of death for himself and parents while the family was held prisoners in their own home by a gang of thugs, has been settled after considerable litigation. The claim involved \$36,500. The jeweler has accepted \$6,500, the amount the surety company estimated it would cost it to continue the litigation.

New Lloyds Is Organized in Chicago by Linus Long

(CONTINUED FROM PAGE 12)

"The soundness and financial stability of the American Preferred Risk Underwriters as an insurance institution is thus assured beyond question," Mr. Long says. "The American Preferred does not insure hazardous, miscellaneous or experimental classes. Its writings are at the present confined to fire and automobile insurance and preferred risk classes on which standard experience is available. It operates at standard rates through agents and brokers and in reinsurance from recognized existing companies who reinsure a portion of their risks with other insurance companies in order to obtain a desired safety spread over a large number of risks. It is distinctly American."

The American Preferred Risk was licensed this year by the Illinois department and has been quietly in operation for about two months. In regard to the agency plant, Mr. Long says:

Plans Close Cooperation

"Every agent has fundamentally the same idea of what an ideal agents' company means. The United States General Underwriters, Inc., through its direct agency system and a close and aggressive cooperation with individual agents intends to develop to the highest degree close and enthusiastic harmony between the agent and home office. We maintain that an intelligent agent body is the logical source from which to take formative ideas touching on matters concerning management and public relationship. Particularly do we desire to humanize loss adjustment work. Common delays and unnecessary formality in the handling of small loss claims are responsible for lack of public faith in insurance."

The Lloyds will write fire, theft, transportation, tornado, collision, public liability, property damage and glass breakage on automobiles, fire, tornado, use and occupancy, rental value and plate glass.

It has a number of men of high type on its board of directors and as underwriters, including N. C. Mather, president of the management concern, who formerly was president of the Chicago Rotary club, and John J. Murphy, secretary-treasurer of the underwriting company, a former investment banker and real estate man of Chicago.

Other directors are: James R. Cardwell, president, Union Draft Gear Company and Cardwell Manufacturing Company; Lauren J. Drake, president Union Tank Car Company; P. G. Jenks, vice-president Standard Steel Car Company; Albert C. Mann, vice-president Illinois Central system; Walter S. Carr, president Locomotive Fire Box Company; Edward T. Kelly, president Edward T. Kelly Company, national publishing concern; C. A. Liddle, president Pullman Car & Manufacturing Corporation; Franklin H. Martin, president Surgical Publishing Company, Chicago; A. C. Moore, vice-president Chicago Railway Equipment Company.

The board of directors in addition includes H. M. Loth, treasurer Poole Bros., director of the Illinois Manufacturers Mutual Casualty and the Graphic Arts Mutual Fire, and Isak Dahle of the Equitable Life, New York, and Mr. Long.

The executive committee consists of Messrs. Long, Mather, Murphy, Moore and Loth.

Executive headquarters of the Lloyds and the management concern are at 310 South Michigan avenue, Chicago.

Branches Out On Pacific

The Hudson of New York has entered the ocean and inland marine business on the Pacific Coast, Edward Brown & Sons, coast general agents, announce. The company is affiliated with the Svea Fire & Life of London and was organized in 1918.

Sullivan Says Companies and States Are to Blame

(CONTINUED FROM PAGE 14)

Keene was reelected, as were the other principal officers, including: Secretary-treasurer, J. Frank DeMerit, Exeter; vice-presidents, A. B. Gile, Hanover; Alexis F. Bisson, Manchester, and George H. Duncan, East Jaffrey.

The new executive committee consists of: Charles W. Varney, Rochester; Frank E. Butler, Portsmouth; Percy M. Ayer, Plymouth; Eugene W. Leach, Franklin and Von J. McPherson, Claremont.

Charles W. Varney, national vice-president, reviewed the recent Detroit convention. James W. Cook, former president of the Rhode Island association, discussed the Rhode Island anti-rebate law. Extended credits were discussed, with a division of opinion which precluded any definite action.

President Trask presided at the afternoon business session at which an address on the casualty business was made by J. D. Russell of the United States Fidelity & Guaranty's Boston office.

Endorse Detroit Action

A resolution was passed endorsing the action taken at Detroit looking to creation of a representative committee from eastern states associations to cooperate with the Eastern Underwriters Association. Resolutions were also passed endorsing action of the New Hampshire commissioner and calling for a continuance of the practice of maintaining a uniform automobile liability insurance rate for the state.

Secretary J. F. DeMerit reported 178 members in the association. It was also announced that the association would take advantage of the National association's offer to remit 60 cents of each member's National association tax to be used for a membership campaign, and President Trask will appoint a committee to conduct a campaign.

There were 130 at the annual banquet. Besides Commissioner Sullivan there were in attendance Edwin J. Cole, National association leader, who reviewed national and local problems; A. C. Mason, president, Vermont association, and Judge Chester B. Jordan of Keene, who stressed the importance of keeping the government out of business.

A golf tournament resulted as follows: C. S. Dow of Manchester, prize for low gross of 89; W. A. Purdin, the most 7's; M. H. Cilley of Portsmouth, low net of 77, and K. Andrews of Laconia, second low net of 82.

Declares Extra Dividend

Dividend disbursements of the Sylva, Corroon & Reynolds company, this year increased to \$202,500 with declaration of \$90,000, equivalent to 60 cents a share. This is in addition to the quarterly dividend of \$56,250, 37½ cents a share on the 150,000 shares outstanding. The dividends are payable Nov. 1 to stockholders of record Oct. 19.

Vernor on Milwaukee Program

"Fire Prevention and Industrial Safety" will be the subject of an address by Richard E. Vernor manager of the fire prevention department of the Western Actuarial Bureau, before the industrial safety group at the annual convention of the National Association of Commercial Organization Secretaries at Milwaukee next week.

Indiana Pond's Tournament

The annual golf tournament of the Indiana Blue Goose will be held Oct. 21 at Broadmoor Country Club, to be followed in the evening with a banquet. A large number of members have entered and several out of town guests are expected. With good weather it is anticipated that this will be a record breaking event of this kind for the Indiana pond. The committee in charge includes Thomas R. Dungan, Ross Moore, George L. Ramey, J. R. Stevenson, W. J. Henshaw, H. L. Barr and W. J. E. Webber.

Made President



JAMES S. KEMPER

James S. Kemper of Chicago, one of the most outstanding mutual men of the country, has been elected president of the Federation of Mutual Insurance Companies. He is president of the Lumbermen's Mutual Casualty, National Retailers Mutual and head of the Associated Mutuals in the west. He was a director of the United States Chamber of Commerce from 1920 to 1928. During the summer he attended the International Chamber of Commerce at Amsterdam, Holland, as a delegate of the Federation of Mutual Insurance Companies. Mr. Kemper started his insurance career at the head office of the Central Manufacturers Mutual of Van Wert, O., opened a small office to represent that company in Chicago, grew in stature until today he is head of a large aggregation of mutual companies. He is one of the outstanding figures of the business.

Travelers Makes Changes in Many of Its Branches

Changes affecting the managerial staffs, casualty lines, in a number of branch offices have been made recently by the Travelers. The appointments announced include the promotion of William M. Boyst as manager at Charlotte, N. C., B. Grady Brooks, manager at Atlanta, Ga.; Lee J. Stivers, assistant manager at Peoria, Ill.

Mr. Boyst succeeds James White as manager at Charlotte, following the latter's appointment as associate manager at Newark. Mr. Brooks' appointment as manager at Atlanta follows the transfer of Leon C. Ruskell to Pittsburgh as associate manager. Mr. Stivers held a similar position at Peoria.

Former Minneapolis manager, Frank R. Olson, has been made associate manager at Philadelphia. Mr. Mills was assistant manager at Newark. Mr. Scully was transferred from Pittsburgh.

Licensed in Massachusetts

The Monarch Fire of Cleveland has been admitted to Massachusetts to write fire and marine, except for ocean insurance lines. John Paulding Meade Company becomes Massachusetts agent.

Fall is the time to read—have a personal copy of The National Underwriter sent to your home.

Get Injunction Against Rule for Texas Deposit

(CONTINUED FROM PAGE 12)

cash or securities. The commission's order was to have become effective on this date and would have forced the deposit of the \$50,000 by each insurance company had not the temporary injunction been granted.

Went Beyond Its Authority

Contention is made by the insurance companies that the railroad commission exceeded its authority in calling for the \$50,000 deposit and that there is no provision of law empowering the commission to exact such requirement. The suit is to be set down for hearing on the proposition to make the temporary injunction permanent. At that time the attorney-general, acting for the commission, will seek to have the injunction dissolved.

The commission required the deposit under the provision of the new motor truck law which empowers the commission to exact insurance of trucks given permits to protect shippers and others affected by the operation of such carriers.

Besides the Fire Association, the plaintiff companies include the Aetna, Agricultural, Westchester, Automobile of Hartford, Standard Fire, New York; Western Assurance, World Fire & Marine, Milwaukee Mechanics, Indemnity Mutual Marine, Tokio Marine & Fire, Royal Exchange, North River, United States Fire, United States Merchants & Shippers, St. Paul Fire & Marine, Merchants Fast Motor Lines, Inc., Fort Worth, Tex.

Late News from the Casualty Field

Franklin Surety's Good Showing

The first nine months of the year the Franklin Surety secured in excess of \$738,450 in premiums, an increase of New York of 57.3 percent over the record achieved in the preceding three months. The unearned reserve at the close of September was \$326,434.

Messer Made Coast Manager

R. H. Messer of Kansas City has been appointed Pacific Coast manager of the Consolidated Indemnity of New York and will establish divisional headquarters at San Francisco, where he was formerly located for another company.

Wrightson Is Promoted

S. M. R. Wrightson, who has been connected with the National Surety since 1925, was appointed assistant secretary Monday. He is in charge of the contract bond department.

Detroit Club Elects

DETROIT, Oct. 16.—The Accident & Health Managers Club of Detroit held its annual meeting at the Cadillac Athletic Club Monday. Fred Grainger, agency supervisor of the Federal Casualty, was elected president to succeed E. H. McFarland. Detroit manager of the North American Accident.

Richard T. Smith, of the Detroit office of the Travelers, was elected vice-president and R. H. MacKinnon, of the Michigan Life, succeeded J. P. Collins, agency supervisor of the National Casualty, as secretary. W. L. Roesser, General Accident, was elected treasurer.

The board of directors for the coming year consists of M. W. Voorheis, Hoosier Casualty; George Brown, Continental Casualty; E. H. McFarland, North American Accident; J. P. Collins, National Casualty, and Brace M. Stahl, Federal Life.

You can make the Property Insurance lines the basis of your business. It will be profitable for you to do so. Let The National Underwriter Company Sales Training Course in Property Insurance help you do this. Write to 420 East Fourth street, Cincinnati, O., for free descriptive booklet.

Can you use these men?



Expert Salesman and Field Man:—Will call on prospects in company of agent, giving agent full benefit of all commissions. Will instruct agent fully in all coverages, outlining newest developments and trends in insurance. Will analyze and audit policies of assureds and prospects, making full recommendation for curtailing or enlarging their insurance programs. Will build goodwill for agent and company among influential bodies, town officials, bankers and contractors.

Advertising Manager:—Wishes to place himself at disposal of agent. Will analyze advertising and letters being used. Will write new letters for agents and design complete direct mail campaign. Will supply agent with attractively printed leaflets in colors bearing agent's personal imprint, make recommendations for newspaper copy or outdoor advertising, furnish folders, policy stickers, newspaper advertisements, form-letters, return postcards, inserts and new ideas for agents advertising program.



Safety Engineer and Inspector:—Will conduct free inspection of plants of assureds and prospects—point out dangerous accident hazards and their remedies, and assist generally in correcting conditions surrounding plant. Will secure co-operation of assureds and their employees through conferences and lectures to the employees urging them to observe safety rules. Will originate and conduct safety contests among the men to minimize accidents. No expensive changes in plant operation are necessary.



Claim Adjuster:—Will settle claims in a diplomatic and courteous way that makes friends for the agent. Will give 100% service and see that claims are adjusted on their merits and paid promptly. The friendliness of our adjusters often brings new policyholders for the agent by making claimants enthusiastic boosters of our service. This man builds goodwill for both the agent and the company; he, as well as the other three, serves you without charge and is always at your call.



Every Union Indemnity agent automatically is offered the unrestricted use of these men. Through our nationwide organization—fourteen Offices in key cities, including head offices in New Orleans and New York—the services symbolized by these experts are brought to your door. If you can use any one of them, drop us a line. A short note will bring a prompt response.

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A DIVISION OF INSURANCE SECURITIES COMPANY, INC.
New York Indemnity Company

Detroit Life Insurance Company

Union Title Guarantee Company, Inc.

Bankers & Merchants Fire Insurance Company



La Salle Fire Insurance Company

Union Title & Trust Company,

Northwestern Casualty & Surety Company

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The National Underwriter

October 17, 1929

CASUALTY AND SURETY SECTION

Page Forty-seven

Reorganize Plate Glass Division

Executive Committee of National Bureau Approves New Policy Form

NEW MANUAL OUT DEC. 1

Semi-Exposed Panes to Get 50 Percent Reduction—No Reference to Moore's Service

NEW YORK, Oct. 16.—Formal approval of the suggested reorganization of the plate glass division of the National Bureau of Casualty & Surety Underwriters having been given by the executive committee of the body, a general meeting of members of the plate glass division was held here last week, at which details of the general program were worked out. A governing committee for the branch was also chosen and L. A. Sawyer was elected secretary. While no reference was made to the independent plate glass rating service conducted by W. F. Moore, the general impression is that the bureau department will work in harmony with the latter body, in so far as may be possible.

Effective Dec. 1.

The new rate manual, which it was first proposed to issue to field representatives by Jan. 1, will be placed in their hands a month earlier if possible; the revised tariffs to be applicable both as to new and renewal business as of Dec. 1, assuming the manual is ready for distribution by that time. While the rate changes determined upon are understood to vary according to territories and risk classifications, the general understanding is that there will be an overall reduction, compared with existing tariffs.

New Policy Simpler

An innovation promised is in the rating for "semi-exposed" glass, that is, lights used in store vestibules. Where these are six feet or more back from the street line, the rate will be one-half that charged for street fronts; the concession, however, not to apply to door plates. The association companies have been subjected to considerable competition from non-affiliated institutions during the past year and are prepared to meet it effectively henceforward.

New York Casualty Joins

A new form of policy, simpler in its terms and more liberal in conditions than that now in general use, has been approved, and will be placed upon the market in due course. The New York Casualty, a subsidiary of the American Surety, was elected to membership in the plate glass department of the bureau, subject to its present rating contract with the W. F. Moore service.

Bar Non-assessable Form to Reciprocals in Indiana

INDIANAPOLIS, Oct. 16.—Indiana reciprocals are forbidden to issue non-assessable policies by an order of Insurance Commissioner Clarence C. Wysong, based on a formal opinion of the attorney-general holding that the non-assessable provision is in conflict with the reciprocal law of Indiana. The order of the commissioner notifies them to immediately cease the writing of policies containing the nonassessable clause and threatens the revocation of licenses if they persist.

Embarrassment for Salesmen

The reciprocals are thus put in an embarrassing position. When the court ordered heavy assessments in the failure of the Federal Automobile of Indianapolis, the members of other exchanges were alarmed and some of the inter-insurance concerns began attaching a nonassessable rider, without waiting for the authority of the insurance department. Now the reciprocal salesmen will not know what to say to their customers. They cannot say that the policies are nonassessable and yet if they go back to the assessable plan, they are confronted by what they have said in regard to the desirability of the non-assessable policy.

Dilemma of Policyholders

Furthermore, the ruling puts the policyholders themselves at sea. They do not know whether their policies are assessable or not, even if they bear the nonassessable clause. On the one hand, the policyholder, if he has a loss, does not know whether the exchange will be able to pay it, as it may be barred by its outstanding policies from levying an assessment to meet its obligations. On the other hand, if he bought insurance in the exchange in order to save part of the premium, he may find his policy assessable and that it may cost him more in the end than if he had bought stock insurance.

Submitted to Attorney-General

The reciprocal law in Indiana, as in most states, is rather vague. There is no

explicit reference to the power to insert a nonassessable clause. The question was submitted to Attorney-General Ogden on Aug. 2 and the attorney-general completed his findings on Aug. 13. However, he did not deliver his opinion to the commissioner until about two weeks ago, as the interested reciprocals asked to be heard before the ruling was made. The attorney-general in making his decision was guided chiefly by section 6 of the Indiana reciprocal act, chapter 102 of the acts of 1919. This is the reserve section.

Language of the Statute

After providing that the exchange shall maintain the reserves set forth, the act concludes with the following provision: "If at any time the assets so held in cash or such securities shall be less than required above, subscribers or their attorney for them shall make up the deficiency within 30 days after notice from the auditor of state so to do."

The attorney-general in his opinion says: "The provision requiring the reserve as above provided is mandatory and upon the happening of the contingency above set out the subscribers or their attorney for them are required to make up any deficiency in said reserve. The language is 'they shall make up the deficiency.' I do not see how that could be done except by assessment. This provision, in my opinion, is clearly for the protection of the subscriber whose loss has not been paid, and he has a right to look to its observance for his further security. If this is not true, then the provision is an idle legislative gesture."

Restraining Order Obtained

The order against the nonassessable clause, issued by the commissioner, is directed to the State Automobile Insurance Association, the Old Trails and the Oak.

While no mention is made of other exchanges, the law would seem to apply also to reciprocals of other states operating in Indiana under the law.

The reciprocal interests in Indiana affected by the ruling have secured a temporary restraining order against the insurance commissioner to prevent the enforcement of his order. The suit was brought in Marion county superior court and Oct. 24 was set by the court for hearing the case and deciding whether the restraining order shall be rescinded or made permanent.

This creates a situation very disturbing to the sales forces, as they will not know whether to talk assessable or nonassessable, until it is seen whether the exchanges win or lose in court.

Plan Pacific Indemnity Stock Change

A special meeting of stockholders of the Pacific Indemnity has been called for Oct. 17 for the purpose of approving an amendment changing the par value of the corporation's stock from \$50 to \$10 per share. Formal approval of stockholders will be followed by a five-for-one splitup.

Action Taken to Curb Bond Evils

Appointment of Stoddard as Philadelphia Arbitrator Approved by Association

TREAT COAST SITUATION

Non-Conference Competition Not Considered Sufficient to Worry About —Three New Members Elected

NEW YORK, Oct. 16.—To further increase the efficiency of what one of its important members characterized as "the most useful organization in the underwriting field," the Surety Association of America, at its annual meeting here, took action that should effectively check any disclosed tendency to write contract bonds at less than the manual figure of 1½ percent. It also approved the recommendation of its executive committee that any member company, convicted of issuing such bonds in violation of the governing rules, be penalized through the compulsory reinsurance of the line without commission, or be fined not to exceed \$5,000.

As a further forward step the employment of F. R. Stoddard, former insurance superintendent of New York, as arbitrator for Philadelphia was endorsed, as was also a suggestion that an arbitrator be secured for the Pacific Coast territory and, should the need arise, that a man be engaged to handle situations throughout the balance of the country. Early in the present year the association sanctioned the employment of an arbitrator for Iowa, with the result that a complete check has been put to abuses in the writing of contract bonds in that state, a practice that had previously been indulged in so freely that many representative agents flatly refused to longer solicit such business, declaring it a sheer waste of time.

Coast Interests Disturbed

Surety interests on the west coast have been disturbed for a long time, due primarily to the aggressiveness of two leading eastern companies, each of which has large interests in the territory, and again to the entry into the surety arena of several home institutions not amenable to regulation of the surety association, or to the acquisition cost conference. Attempts to arrive at a proper solution of the differences existing in the field have been made from time to time, the managers preparing a form of agreement subject to amendments by the territorial general agents, but thus far all conferences have proven futile. The arbitrator idea, pronouncedly effective in Iowa and in New York City, and now to be tried in Philadelphia, is regarded as the only means that will restore conditions on the Pacific Coast to a proper basis. Thus far

(CONTINUED ON LAST PAGE)

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The new rate manual, which it was first proposed to issue to field representatives by Jan. 1, will be placed in their hands a month earlier if possible; the revised tariffs to be applicable both as to new and renewal business as of Dec. 1, assuming the manual is ready for distribution by that time. While the rate changes determined upon are understood to vary according to territories and risk classifications, the general understanding is that there will be an overall reduction, compared with existing tariffs.

New Policy Simpler

An innovation promised is in the rating for "semi-exposed" glass, that is, lights used in store vestibules. Where these are six feet or more back from the street line, the rate will be one-half that charged for street fronts; the concession, however, not to apply to door plates. The association companies have been subjected to considerable competition from non-affiliated institutions during the past year and are prepared to meet it effectively henceforward.

New York Casualty Joins

A new form of policy, simpler in terms and more liberal in conditions than that now in general use, has been approved, and will be placed upon the market in due course. The New York Casualty, a subsidiary of the American Surety, was elected to membership in the plate glass department of the bureau, subject to its present rating contract with the W. F. Moore service.

Bar Non-assessable Form to Reciprocal in Indiana

INDIANAPOLIS, Oct. 16.—Indiana reciprocals are forbidden to issue non-assessable policies by an order of Insurance Commissioner Clarence C. Wysong, based on a formal opinion of the attorney-general holding that the non-assessable provision is in conflict with the reciprocal law of Indiana. The order of the commissioner notifies them to immediately cease the writing of policies containing the nonassessable clause and threatens the revocation of licenses if they persist.

Embarrassment for Salesmen

The reciprocals are thus put in an embarrassing position. When the court ordered heavy assessments in the failure of the Federal Automobile of Indianapolis, the members of other exchanges were alarmed and some of the inter-insurance concerns began attaching a nonassessable rider, without waiting for the authority of the insurance department. Now the reciprocal salesmen will not know what to say to their customers. They cannot say that the policies are nonassessable and yet if they go back to the assessable plan, they are confronted by what they have said in regard to the desirability of the non-assessable policy.

Dilemma of Policyholders

Furthermore, the ruling puts the policyholders themselves at sea. They do not know whether their policies are assessable or not, even if they bear the nonassessable clause. On the one hand, the policyholder, if he has a loss, does not know whether the exchange will be able to pay it, as it may be barred by its outstanding policies from levying an assessment to meet its obligations. On the other hand, if he bought insurance in the exchange in order to save part of the premium, he may find his policy assessable and that it may cost him more in the end than if he had bought stock insurance.

Submitted to Attorney-General

The reciprocal law in Indiana, as in most states, is rather vague. There is no

explicit reference to the power to insert a nonassessable clause. The question was submitted to Attorney-General Ogden on Aug. 2 and the attorney-general completed his findings on Aug. 13. However, he did not deliver his opinion to the commissioner until about two weeks ago, as the interested reciprocals asked to be heard before the ruling was made. The attorney-general in making his decision was guided chiefly by section 6 of the Indiana reciprocal act, chapter 102 of the acts of 1919. This is the reserve section.

Language of the Statute

After providing that the exchange shall maintain the reserves set forth, the act concludes with the following provision: "If at any time the assets so held in cash or such securities shall be less than required above, subscribers or their attorney for them shall make up the deficiency within 30 days after notice from the auditor of state so to do."

The attorney-general in his opinion says: "The provision requiring the reserve as above provided is mandatory and upon the happening of the contingency above set out the subscribers or their attorney for them are required to make up any deficiency in said reserve. The language is 'they shall make up the deficiency.' I do not see how that could be done except by assessment. This provision, in my opinion, is clearly for the protection of the subscriber whose loss has not been paid, and he has a right to look to its observance for his further security. If this is not true, then the provision is an idle legislative gesture."

Restraining Order Obtained

The order against the nonassessable clause, issued by the commissioner, is directed to the State Automobile Insurance Association, the Old Trails and the Oak.

While no mention is made of other exchanges, the law would seem to apply also to reciprocals of other states operating in Indiana under the law.

The reciprocal interests in Indiana affected by the ruling have secured a temporary restraining order against the insurance commissioner to prevent the enforcement of his order. The suit was brought in Marion county superior court and Oct. 24 was set by the court for hearing the case and deciding whether the restraining order shall be rescinded or made permanent.

This creates a situation very disturbing to the sales forces, as they will not know whether to talk assessable or nonassessable, until it is seen whether the exchanges win or lose in court.

Plan Pacific Indemnity Stock Change

A special meeting of stockholders of the Pacific Indemnity has been called for Oct. 17 for the purpose of approving an amendment changing the par value of the corporation's stock from \$50 to \$10 per share. Formal approval of stockholders will be followed by a five-for-one splitup.

Action Taken to Curb Bond Evils

Appointment of Stoddard as Philadelphia Arbitrator Approved by Association

TREAT COAST SITUATION

Non-Conference Competition Not Considered Sufficient to Worry About —Three New Members Elected

NEW YORK, Oct. 16.—To further increase the efficiency of what one of its important members characterized as "the most useful organization in the underwriting field," the Surety Association of America, at its annual meeting here, took action that should effectively check any disclosed tendency to write contract bonds at less than the manual figure of 1½ percent. It also approved the recommendation of its executive committee that any member company, convicted of issuing such bonds in violation of the governing rules, be penalized through the compulsory reinsurance of the line without commission, or be fined not to exceed \$5,000.

As a further forward step the employment of F. R. Stoddard, former insurance superintendent of New York, as arbitrator for Philadelphia was endorsed, as was also a suggestion that an arbitrator be secured for the Pacific Coast territory and, should the need arise, that a man be engaged to handle situations throughout the balance of the country. Early in the present year the association sanctioned the employment of an arbitrator for Iowa, with the result that a complete check has been put to abuses in the writing of contract bonds in that state, a practice that had previously been indulged in so freely that many representative agents flatly refused to longer solicit such business, declaring it a sheer waste of time.

Coast Interests Disturbed

Surety interests on the west coast have been disturbed for a long time, due primarily to the aggressiveness of two leading eastern companies, each of which has large interests in the territory, and again to the entry into the surety arena of several home institutions not amenable to regulation of the surety association, or to the acquisition cost conference. Attempts to arrive at a proper solution of the differences existing in the field have been made from time to time, the managers preparing a form of agreement subject to amendments by the territorial general agents, but thus far all conferences have proven futile. The arbitrator idea, pronouncedly effective in Iowa and in New York City, and now to be tried in Philadelphia, is regarded as the only means that will restore conditions on the Pacific Coast to a proper basis. Thus far

(CONTINUED ON LAST PAGE)

Cooperation Not Sentiment, But Essential in Business

SCHOFIELD TALKS AT MUNCIE

Problems of Marketing Have Combined
Insurance Interests—Acquisition
Costs Must Be Faced

E. J. Schofield, president of the Standard Accident, discussed the relationship of company and agent and that of agent to agent at the annual meeting of the Indiana Association of Insurance Agents at Muncie last week. Mr. Schofield said that since human needs vary so much and people hold such different viewpoints, it is difficult to draw exact conclusions in solving the problems of the insurance business today. "Men nowadays have reached the conclusion that cooperation in business is not a sentiment but rather a business necessity," he declared.

There is a growing understanding between the various factions in the insurance business. Feelings of suspicion and the uncoordinated actions on reforms are things of the past. The different factions are combined to battle with the common enemy. They actually have got acquainted with each other.

"These problems which have modernly arisen in connection with marketing and production of business, the acquisition cost of the business itself, which involves that great factor of commissions, have put us all in a position of being more or less united in the discussion and consideration of the things," he said.

Good Will Best Asset

"Now that we have set aside and put behind us the prejudices and the ignorance, we have arrived at a point where we may understand one another and may work together. It is time that we found practical expression for this determination. There is the program of better marketing, which is a tremendous program for you to undertake, with, of course, the help of the companies. There is the tremendous program of education. That is, education of the public concerning our business, education of the younger men who are to come into the business, and that is a job for agents, as well as companies, to undertake. We have the tremendous facts to face concerning the cost of our business which includes and involves your commission account, which is of course interesting and important to you. Through it all and above it all we have a joint commission to build the reputation of the companies and of the agents to the point where it will actually represent goodwill. Confidence is the basis of all goodwill, and that we must win, and companies may only win that through agents, first, and, secondly, through their performance when that time comes. Goodwill, having been created, is the most precious of all business assets."

Insurance Men at Contractors' Meeting

Insurance men freely participated in the convention of the Associated Contractors of America in Hartford. A. R. Sexton, secretary of the Aetna Casualty & Surety, and A. B. Palmerton of the same company presided at group meetings in which bonding matters were discussed. At another meeting R. J. Sullivan, vice-president of the Travelers, talked on safety work. The toastmaster at the banquet was Clarence T. Hubbard of the Automobile. Many insurance men were present at the various sessions.

Fisher Heads East Bay Group

OAKLAND, CAL., Oct. 16—At the annual meeting of the East Bay Casualty & Surety Club, membership of which includes the company executives located in Oakland, John I. Fisher of the Globe Indemnity was elected president, John Simpson, vice-president, and J. C. Hedemark, secretary.

In New Connection



H. R. OLIVER

Appointed Resident Vice-President of
American Bankers for Southern
States

Educational Work Proves Real Success

The Aetna Casualty in analyzing its three years of educational extension work in charge of Clyde J. Crobaugh, supervisor of the division, finds that great progress has been made in this enterprise. An educational course of 30 lessons was constructed covering every casualty and surety form, going into different phases of local agency work. Revisions have been necessary from time to time owing to changes. Approximately 1,200 agents and company employees are on the list of students. During the three years over 15,000 papers have been received and graded. More than 100 have completed the entire course.

Mr. Crobaugh was formerly professor of insurance of economics at Indiana University and more recently was director of the policyholders service bureau of the United States Chamber of Commerce. He is assisted by L. Ray Ringer, who completed the Aetna Life home office training course besides doing graduate work in business administration at Harvard.

To Continue Plan Calling for Gradual Capital Boost

Gradual increase of capital stock of the Pacific Mutual Life under the plan announced some time ago, which will double the capital by yearly increases of one-tenth, will be continued, President George I. Cochran announces, one share of stock being offered at \$50 for each 10 shares. President Cochran states that the next increase of 44,000 shares will be offered for approval at the annual meeting in February and will be ready for issue in April. The first increase was paid for and issued as of Oct. 1, adding \$400,000 to capital and \$1,600,000 to surplus.

No Property Damage Age Restriction

FRANKFORT, KY., Oct. 16—Relying on the rule of strict construction against the insurance company in case of ambiguity in the policy, the court of appeals of Kentucky, in the case of Pickrell vs. New Amsterdam Casualty, held that the restriction against drivers under the age of 16 years does not apply to a property damage loss.

Now is the time to order National Underwriter calendars. They get the business.

Oliver Takes New Post With American Bankers

HANDLES SOUTHERN STATES

Former Provident Life & Accident Official Made Resident Vice-President at Chattanooga

H. R. Oliver, who resigned recently as manager of the personal accident and health department of the Provident Life & Accident, has been appointed resident vice-president of the American Bankers, with headquarters at Chattanooga, Tenn. He will have charge of the company's accident and health business in the southern states, including Tennessee, Alabama, Mississippi, Georgia, Florida, Louisiana and Arkansas.

Mr. Oliver has had more than 20 years experience in the accident and health business, in both field and home office positions. He had been with the Provident since 1916, serving first as state manager for Pennsylvania and later as field manager for the commercial department and manager of the railroad department. Since 1926, until his recent resignation he had been manager of the personal accident and health department of that company, which includes the monthly premium, commercial and automobile accident divisions.

American Surety Coast Officials Hold Conference

SAN FRANCISCO, Oct. 16.—A regional conference of officials of the American Surety from New York, Los Angeles and Salt Lake City was held in San Francisco on Oct. 14-15. Comprising the delegation from the east were A. F. Lafrentz, first vice-president, son of F. W. Lafrentz, chairman of the board, and Richard Deming and W. E. McKell, vice-presidents. Other principal executives were R. D. Weldon, manager at San Francisco; A. I. Zimmerman, manager at Los Angeles, and F. B. Hammond, manager at Salt Lake City.

This is the first regional conference to be held in San Francisco since the acquisition by the American Surety of the New York Casualty, and Fred Corcoran, manager of the New York Casualty at San Francisco, was also in attendance.

Among the subjects discussed were: contract bonds by Mr. Deming; casualty insurance, Mr. Corcoran; fidelity business, including blanket bonds, Mr. Weldon; agency organization and special agency work, Mr. Hammond; court and fiduciary business, Mr. Zimmerman, and foreign insurance, William Barnett, superintendent of forgery department at San Francisco.

Oct. 31 is the deadline for National Underwriter calendar orders. Act today!

American Bonding "Graduates" to Meet

The roster of men who received their start and early training in the old American Bonding of Baltimore reads like a "Who's Who" of insurance. Partly for this reason, a reunion of the "old guard" of the American Bonding is being planned.

Among those who started in the company are:

George L. Radcliffe, president American Bonding, and now first vice-president, Fidelity & Deposit.

Heber H. Stryker, president First Reinsurance, Hartford.

Paul Rutherford, vice-president Hartford Accident & Indemnity and manager New York department.

Norman R. Moray, president Southern Surety and of the Southern Fire.

Cost Conference Convened on Important Proposals

LIABILITY COMMISSIONS UP

Meeting to Consider Amendments to
New York City Rules—Plate
Glass Also on Agenda

NEW YORK, Oct. 16.—The meeting of the acquisition cost conference on casualty insurance now in session here, it is understood, will devote the major part of the time to consideration of commissions on automobile liability business in Massachusetts. The committee previously named composed of the Employers Liability, Hartford Accident, Massachusetts Bonding, Travelers and United States Fidelity & Guaranty, was to report the result of its conferences upon the subject with representatives of various agents' and brokers' organizations of the state.

Discussion will also be held on burglary commissions in Los Angeles. Complaint was made that some offices, despite the decision reached by the conference on July 29 to enforce the rules, are paying in excess of the stipulated 17½ percent.

It is also intended to pass upon amendments to the New York City rules, made desirable because of late trends in the business.

As the last of the plate glass line writing companies has now entered the multiple line field, it is suggested the plate glass classification be deleted from the rule.

"Associated Indemnity" Name Not to Be Used by Home

Following communications between C. W. Fellows, president of the Associated companies, and Wilfred Kurth, president of the Home, it has been decided by the Home to select a name other than "The Associated Indemnity Company" for one of the casualty companies now in the course of organization.

Immediately upon receiving information that the Home had tentatively planned to call the new organization "Associated" President Fellows wired Mr. Kurth advising him of the expansion program of the Associated companies which embraces the entire United States and suggesting that the adoption of such a name might be confusing. Mr. Kurth replied at once to the effect that under the circumstances the new company would be given some other name.

John T. McDonnell has become associated with the Mann, Barnum & Welsh agency in Kansas City, Mo. Mr. McDonnell was formerly connected with the Massachusetts Bonding, having gone with that company from Thomas McGee & Sons.

F. Buchanan Owen, Owen, Crowell & Co., local agents, Cleveland.

Kennedy R. Owen, vice-president Standard Accident, Detroit.

Vincent Cullen, vice-president National Surety.

James L. D. Kearney, vice-president Hartford Accident & Indemnity, and secretary Hartford Live Stock.

W. Herbert Stewart, of Stewart, Keator, Kessberger & Lederer, local agents, Chicago.

D. E. Monroe, vice-president American Central, St. Louis.

Edwin W. Poe, Baltimore capitalist, one of the early secretaries of the American Bonding, who is no longer in insurance but is to be included in the reunion.

Bad Experience on \$1 Contract

Companies' Effort to Solve Troubles Defeated by Unwillingness of Executive

LOSS IN UNDERWRITING

Report Carriers Renewing for Lower Principal Sum in Effort to Make Cover Profitable

Refusal of one high company executive to enter conference with others representing American life and accident companies selling newspaper travel accident policies, during the last week upset plans for a thorough reorganization of this business on an adequate rate basis.

Growth of this form of cover to a reported \$4,000,000 a year in premiums, taken with 10 percent or more increase in claim loss ratio since it was started, total expenses running well over 100 percent of premiums with some of the most conservative of the companies, and complaints of newspapers that they were entitled to some profit in the form of commissions or allowances, brought executives to sober thought on the subject of rates last week.

Planned Executive Session

It had been intended to hold an executive session at Hot Springs, Va., this week to consider a proposal to boost the premium from \$1 to \$2. It was pointed out by newspaper men that the policy would in all probability sell better at \$2 than at the lower price, due to the feeling of many readers that a \$1 policy could not give benefits of any value.

One of the leaders in the business, an astute accident and health executive who has been collecting experience on this form for a number of years, found recently that death claims had jumped from about 24 percent to 34 percent during the period in which his company has been writing the contract.

Expenses Running High

Specific benefits he sets at 2 percent. Expenses, including claim expense, he finds total approximately 30 percent. There are in addition the 2 percent or 3 percent premium taxes, depending on state law, and 30 percent commission to the company's agents selling the plans to newspapers.

This, he found, totaled 106 percent expense, which did not take into account the expenses of newspapers in carrying on the campaigns. Newspapers, which were forced to give much space in advertising the policies and to assume some clerical work in receiving coupons and money and transmitting them to the carriers, recognize that these campaigns are fine circulation builders, it is said, but nevertheless feel that they should be reimbursed directly for the extra cash outlay represented in their assuming part of the work.

Proposal on Allowance

The proposal which was to have been seriously considered at Hot Springs this week was to allow the newspapers 50 cents a policy to defray expenses and give added incentive in selling them. It is said this would be a moderate commission, as it amounts to but 25 percent.

An odd feature of the attitude of the nonconforming executive, it is learned, is that his company needs a premium increase on this class of business as much as any of the others, since last year it showed a net underwriting loss of considerable proportions.

It is the opinion of other executives
(CONTINUED ON LAST PAGE)

Canadian Objects to American Plan of Auto Rating

TORONTO, ONT., Oct. 16.—According to D. McIntosh, managing director of the Pilot Automobile & Accident, who appeared before the commission on increased rates appointed by the Canadian government, Americans are playing too large a part in molding the methods and principles of automobile insurance rating in Canada. He also said that the American system of rating is not so logical as that being advocated by Canadian companies.

The hypothesis of rating behind the American plan, Mr. McIntosh explains, is one set up on the basis of the constructional differences, whereas the Canadian system recognizes no such differences.

Based on Mileage

The Canadian plan of rating recommended to the commission is based on mileage, divided into three groups: Occupation of assured; extent of territory in which a car is operated, and climatic and territorial conditions. The American plan of rating sets out to find the experience by cars. We totally disagree with this and set out to find the experience by occupations. We believe it is entirely wrong to charge one man who may be running his car only 3,000 or 4,000 miles a year the same premium as a man, who may, for instance, be using a similar make of car, and who runs it some 30,000 miles a year. Obviously the risk and exposure of the traveler's car is 10 times that of the other man's. Our plan is one wherein we are making a serious effort to regulate such distinctions in a more equitable manner."

California Bar to Check Ambulance Chasing Evil

SAN FRANCISCO, Oct. 16.—The California Bar Association plans to take steps to curb ambulance chasing in California cities. This action was decided following a meeting of the association at Del Monte where a special committee reported that lawyers, insurance adjusters and claim agents are mulcting persons receiving personal injuries out of huge sums by the practice of ambulance chasing.

Although the committee had not completed its investigation it reported that it had 4,000 cases on record where improper settlements have been made. Certain suggestions to correct the abuses were made by the committee which at the next meeting of the association is to bring in definite recommendations.

The suggestions made by the committee include: That legislation be passed making it illegal to make any settlement of a personal injury accident within 15 days of the date of the accident; that all agreements or settlements pertaining to personal injuries be approved by the courts; that contract fees be limited to 30 per cent, including costs; that unlicensed persons be prevented from making claim adjustments; and the placing of automobile accidents under the jurisdiction of a commission having the authority to decide the amount of compensation to be paid to injured persons.

Company Notes

The Pennsylvania Insurance department has licensed the Export Indemnity and the Southern Surety of New York City.

The Seaboard Surety and the Concord Casualty & Surety, both of New York, have been admitted to Maine.

The Commerce Casualty has been licensed in Texas. F. O. Long of Dallas was designated as state agent.

Methods Used in Selling Casualty Lines Explained

"Developing Casualty Lines" was discussed by William J. Welsh of Mann, Barnum & Welsh of Kansas City, Mo., at the Jefferson City meetings of the Missouri Association of Insurance Agents.

"There is a wide spread of hazards," he said, "which are incorporated under the general insurance heading 'casualty.' Further, the number of lines coming under the casualty groups are increasing constantly and present a formidable list.

"The workmen's compensation situation," he continued, "is one with which we need not dwell at length. We all know the provisions of the law, not only as to its imposition of coverage, but within reason the law controls the rate situation. The competitive situation in compensation rests on but a few fundamentals. The first is primarily one of service. In no form of insurance are there as many service contacts as exist under compensation. An agency engaged in this type of business can rise or fall on its compensation service alone. A complete understanding of its problems, which tend to allow the agent to extend a maximum amount of service from all of the contacts that arise in connection with claims, inspection and payroll audits, should insure that particular agent a marked preference over his competitor in other matters of insurance, particularly casualty. By the same token the agent who attempts to market this highly competitive service form of insurance without an understanding and knowledge of its problems must understand that he is putting at risk all other forms of insurance which he carries for this same client. Rate competition in the compensation lines narrows itself to only two points. The first, of course, is properly classifying the risk.

Self-Insurance Competitive Factor

"Public liability other than automobile does not offer a very great competitive situation. The competition is mostly with self-insurance. It so happens that we make it a practice in our own organization not to write compensation without concurrent public liability and we believe that every agent, not only for his own good but for the good of his client and his company, should follow this same procedure. The so-called general liability lines, having to do with liability on residences, apartments and store risks, have increased tremendously in the last few years and the agent passing up these lines is passing up a positive source of increased income.

"The next casualty group in importance," Mr. Welsh pointed out, "are the five major automobile coverages—liability, property damage, fire, theft and collision. In the first two we probably have the highest degree of competitive development. There is a definite reason for this situation. The primary reason is that the lines themselves are highly desirable from both a company and agency standpoint. Another reason which holds particularly in the larger centers is that the automobile owning and operating public have become well educated to the possibilities and advantages of these forms of protection. Virtually every form of competition enters this big field. The largest writers of course are the bureau stock companies. In Missouri particularly, the non-bureau stock companies exert a heavy influence and of course we also have with us our participating friends, mutuals and reciprocals.

Made Use of Abuse

"Ten years ago the participating companies were the bugaboo of the stock company representatives. I believe that situation has changed to a remarkable

degree. No longer does the average insurance agent back away from reciprocal and mutual competition. Because of his lack of understanding, this type of competition formerly scared him half to death. His normal competitive argument consisted of a line of abuse against his reciprocal competitor and an analysis of his competitor's financial statement to prove that he was going to go broke a day after tomorrow. The reciprocal thrived under this kind of competition, for in a great deluge of propaganda through the mail and by word of mouth, it educated its prospect and its policyholder to anticipate this abuse from the old line agent and diverted the matter to its own best interests.

"While the old line agent is becoming educated in matters pertaining to mutual and reciprocal competition, the buying public is also becoming educated. It is a matter of record that in spite of the tremendous increase in automobile writing volume the reciprocal and mutual, in the last five years, are obtaining a constantly lessening proportion of this in spite of the price attraction which is their only selling argument.

Increases Fleet Coverage

"Automobile lines cannot be discussed without remarking on the tendency of the present American business market to endorse consolidations in various forms, all of which tends to produce group buying. This tendency has greatly increased the fleet market to automobile coverages. It is an outstanding fact that practically all of this automobile fleet market is being handled by the stock companies rather than the mutuals and reciprocals. It is also my observation that the old line bureau companies are not getting this type of business. The country, particularly the middle west, is overrun with non-bureau automobile stock companies. Some of them serve a real need; others are harmful to the business as a whole. Included in this latter group are some without adequate financial resources in this highly hazardous business and others who do not have an intelligent insurance administration. This lack of insurance training in the management reflects itself in the agency system. While we have directed our rate com-

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High Limits Bring Cheap Cover, U. S. F. & G. Shows

The cheapest insurance in the world is the excess public liability and property damage over the usual \$5,000/\$10,000 or \$10,000/\$20,000 limits, as pointed out by the "Hawkeye Cornhusker," monthly publication of the Des Moines branch of the United States Fidelity & Guaranty. Manager J. Dillard Hall of the Des Moines branch calculates that the extra cover in \$100,000/\$300,000 liability and \$100,000 property damage contract over the \$10,000/\$20,000 and \$1,000 limits costs only \$.03833 per \$1,000, or approximately 4 cents.

On the standard limits of \$5,000/\$10,000 liability and \$1,000 property damage, the total premium is about \$40 with a total exposure for the company of \$11,000, thus making the insurance cost the assured \$3.64 per \$1,000. On the \$10,000/\$20,000 liability and \$1,000 property damage cover at \$46 for total exposure of \$21,000, the cost is \$2.19 per \$1,000.

The total cost for the \$100,000/\$300,000 liability and \$100,000 property damage is only \$60.90. Extra insurance limits of \$90,000/\$280,000 and \$99,000 for the liability and property damage cost only \$14.90, he points out.

Holds Stock of Casualty Companies May Be Assessed

STARTLING ILLINOIS RULING

Attorney General's Construction of Law Would Apply to Other States Having Similar Statutes

Stockholders of insurance companies may be startled by a ruling of Oscar E. Carlstrom, attorney-general of Illinois, on the question of assessing stockholders of casualty companies in that state to make up an impairment. The ruling is under the Illinois law, but would apply where any other state has similar provisions in its statutes.

The ruling was given on an inquiry of Superintendent George Huskinson of the insurance department in regard to a company which has printed on its stock certificates in bold type the statement "this stock is nonassessable." The attorney-general rules that in one respect the capital stock is nonassessable, in that the stockholder cannot be compelled to pay the assessment out of his other assets, but this does not save him

from losing his stock in case of failure to pay an assessment properly levied under the law.

Must Make Up Deficiency

The ruling is based upon the language in section 13 of "An act concerning the business of casualty insurance" approved April 21, 1899, as subsequently amended. This section provides that if the insurance superintendent finds that a reduction of the capital stock of said company will not be to the best interest of the policyholders, or in the event of refusal of the stockholders to consent to a reduction of the capital stock, then the superintendent of insurance shall determine the amount of the impairment or deficiency, and shall issue a written requisition to the corporation, requiring its stockholders to make good the amount of impairment or deficiency within such period as he may designate, not less than 30 days nor more than 90 days from the service of the requisition.

It provides further that upon receipt of such requisition, the directors shall forthwith call upon the stockholders ratably for such amounts as will make up such impairment or deficiency, and that if any stockholder refuses or neglects to pay the amount called for after notice given personally or by ad-

vertisement, in such time as will comply with the order of said superintendent, the directors may by resolution declare the stock of such person cancelled; but that such failure to pay shall not release the stockholder from any liability to the corporation.

The attorney-general holds that where the stock is declared nonassessable, the liability of the stockholder to the corporation cannot be collected out of his other assets, but the words on the stock certificate do not prevent the cancellation of the stock for failure to pay the assessment as provided in the statute.

Thomas L. Purdum Dies

Thomas L. Purdum, vice-president and resident manager in New York of the New Amsterdam Casualty, died at his home in Queens Village, L. I., Monday. He had been connected with several casualty companies prior to entering the service of the new Amsterdam Casualty in 1914, going to New York as its chief representative three years later. He was accounted an unusually able underwriter and a capable executive.

Parke With Equitable

The Equitable Casualty & Surety, New York, has appointed Clinton Parke, a member of its statistical staff.

A. & H. Managers' Clubs in National Organization

COLLINS ELECTED PRESIDENT

Four Charter Members While Ten Local Bodies Are Now Being Formed

DETROIT, Oct. 16.—The National Association of Accident & Health Managers Clubs was formed at a meeting of accident and health men held in Detroit Monday evening. The session at which the national organization was launched took place immediately after the annual meeting of the Accident & Health Managers Club of Detroit.

The formation of the association, which is sponsored by the Detroit club, took place after months of preliminary work in contacting local clubs in other parts of the United States, as well as individual accident and health men who are outstanding in their respective districts, this work being conducted by a special committee of the Detroit club acting under J. P. Collins, secretary of the Detroit aggregation, as chairman.

Collins Made President

In recognition of Mr. Collins' untiring efforts on behalf of the association, he was elected the first president. Mr. Collins is agency supervisor of the National Casualty of Detroit. Eight regional vice-presidents, whose duty it will be to look after the interests of the national association and the formation of local clubs in their respective territories, were elected as follows:

New England states, W. J. Morrissey, Boston; middle Atlantic states, William W. Schank, Newark, N. J.; southern states, William M. Burke, Ashland, Ky.; south central states, A. C. Grunz, Little Rock, Ark.; southwestern states, J. C. Combs, Dallas, Tex.; western states, Douglas Marks, Kansas City; Pacific states, M. O'Sullivan, San Francisco, and Great Lakes states, Donald Drury, Chicago.

George Brown Is Secretary

George Brown, general agent for the Continental Casualty in Detroit and secretary of the Michigan Association of Insurance Agents, was named secretary-treasurer. W. D. Mead, representing the Pacific Mutual in Seattle and president of the Seattle club, was elected chairman of the executive committee.

The executive committee consists of Henry B. Fowler, Boston; F. A. Russell, Des Moines; J. F. DeMerit, Exeter, N. H.; H. J. Bisch, Toledo; R. W. Rowland, Detroit; E. G. Lamberton, Lansing, and E. H. McFarland, Detroit. President Collins will serve as an ex-officio member.

Four clubs participating in the charter membership, Los Angeles, Chicago, Seattle and Detroit, and two more of the eight existing clubs have the matter of national affiliation now before them for consideration.

The members determined upon a policy of promotion of as many local clubs in various portions of the country as possible. Secretary George Brown wishes all accident and health men who are interested in the national movement to get in touch with him for assistance in forming local groups.

Ten Clubs Being Formed

No less than ten new clubs are now in process of formation, including groups in Kansas City and in Lansing and Flint in Michigan. Others will be under way shortly, the officers believe. The adoption of a constitution and by-laws and other important matters of this nature will be left until the first convention so that a representative group of accident and health delegates from all over the country may be present and take a hand in directing the policy of the organization.

LITTLE STORIES from the FILES of a GREAT INSURANCE INSTITUTION



THE collision was slight and since neither of the two cars involved was damaged appreciably, their drivers—one a native Bostonian and the other a California tourist—agreed to drop the matter. Therefore, a day later when the car of the latter was attached for \$500 he was surprised and worried as to what course to pursue. Remembering his Continental Automobile policy, he called at the Boston offices of the Company and explained his difficulty. Two adjusters were assigned to look after his interests. Within a few hours they secured release of his car, absolved him of all responsibility for the accident, and established grounds for a suit for damages against the driver of the other car as well. Thus a situation which had threatened to prove troublesome, and perhaps costly, was quickly and efficiently disposed of through Continental service.

The quality of Continental service to assureds is matched by the quality of the Companies' service to agents. A Home Office organization of nearly 1,000 well-trained employees, under the guidance of a large staff of able executives offers business-building profit-winning assistance to fieldmen.



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Directors Vote to Increase Capital of Federal Life

RAISED FROM \$300,000 to \$500,000

No Surplus Premium Tacked on Plan Passed to Stockholders for Approval Nov. 15

Capital increase of the Federal Life of Chicago from \$300,000 to \$500,000, just recently voted by the directors, will be submitted for approval by stockholders at a meeting called for Nov. 15. Officers stated this week that the object of the financing is to place the capital structure on a scale commensurate with the greatly increased size and scope of the Federal.

Plan \$1,000,000 Later

It is said to be the object of officers and directors to put through still another increase in good time, with the next aim \$1,000,000 capital. It is believed that the Federal, occupying as it does an important place in life and accident and health, is not adequately capitalized at the old \$300,000 mark which has been in force for a considerable time.

An interesting aspect of the directors' move is that the new stock, consisting of 2,000 shares, will be sold only to stockholders, and at par.

No Premium for Surplus

Whereas usual practice in raising additional capital is to tack on a premium in the price so that a substantial amount may be obtained for additions to surplus, and stockholders in successful carriers are glad to pay the increase, this element of financing has been left out of the Federal's plans for the addition. The new stock will be sold at \$100 a share, to present stockholders on the basis of two new shares for each three now held.

New Committee List for H. & A. Conference Out

T. Leigh Thompson, president of the Health & Accident Underwriters Conference, has announced these committee appointments for the coming year:

Auditing—L. J. Adelman, chairman, National Travelers; S. P. Deeds, Ohio State Life; T. O. Berge, North American Life & Casualty; A. A. Jekel, Reliable Life & Accident; Jacob Ernst, Reserve Mutual Casualty.

Constitution and By-Laws—C. O. Pauley, chairman, Great Northern Life; C. G. Traphagen, Time; C. P. Waldron, Inter-State Business Men's; B. B. Paddock, Central Casualty; J. G. Ferguson, Continental Life.

Credentials—Loring Elliott, chairman, Physicians Casualty; D. G. Trone, Indiana Travelers; C. C. Inman, Illinois Mutual Casualty; J. W. Carson, Pilot Life; A. D. Johnson, United States Mutual.

Educational and Publicity—R. A. Brown, chairman, Inter-State Business Men's; Glen Neale, Hardware Mutual Casualty; B. H. Vollertsen, National Casualty; W. C. Cartinhour, Provident Life & Accident; R. W. Faulkner, Woodmen Accident.

Entertainment—V. M. Ray, chairman, Hoosier Casualty; R. A. Gowdy, United Casualty; Kenneth Patterson, Midland Casualty; L. L. Waters, National Accident; C. H. Stevenson, Norwich Union Indemnity; James Powell, Southern Surety.

Grievance—C. S. Drake, chairman, Empire Life & Accident; A. J. Alwin, Minnesota Commercial Men's; E. G. Robinson, National Masonic Provident; R. L. McQuat, Business Men's Indemnity; C. F. E. Peterson, Progressive Assurance.

Legal—E. St. Clair, chairman, North American Accident; Earl C. Mills, Iowa State Traveling Men's; D. E. C. Moore, Pacific Mutual Life; H. N. Lukins, Washington Fidelity National; Thomas Waters, Jr., Inter-State Business Men's.

Legislative—James F. Ramey, chair-

man, Washington Fidelity National; W. J. B. Janisch, Lumbermen's Mutual Casualty; H. S. Bean, Eastern Casualty; G. E. Tyrrell, Wisconsin Accident & Health; Ben Haughton, International Travelers Association; Gustaf Lindquist, Travelers Equitable; C. A. Hebbard, United Commercial Travelers; Grady Challes, Federal Surety; John J. Lentz, American Insurance Union; J. W. Blunt, Monarch Accident.

Manual—R. S. Hills, chairman, Massachusetts Bonding; L. N. Ambler, Massachusetts Bonding; Roger Billings, Fraternal Protective; J. W. Horton, Pacific Mutual Life; F. C. Crittenden, associate member.

Membership—Frank P. Proper, chairman, Employers Reinsurance; C. W. Young, Monarch Accident; R. J. Giles, Occidental Life; H. H. Stryker, First Reinsurance; N. L. Criss, Mutual Benefit H. & A.; T. C. Brownlee, Northwestern L. & A.; W. Freeland Kendrick, Commonwealth Casualty; Frank M. Feffer, Abraham Lincoln Life; E. E. Meares, St. Lawrence Life; J. V. Hardy, Southern Travelers.

Program and Press—F. L. Barnes, chairman, Provident Life & Accident; W. E. Brimstin, Federal Life; H. A. Woodward, Old Line Life; E. C. Bowlby, Fidelity H. & A.; V. E. Nutt, Great Western.

Reception—E. C. Budlong, chairman, Federal Life; J. Patterson, Midland Casualty; J. J. Helby, Federal Casualty, Milwaukee; A. E. Forrest, North American Accident.

Resolutions—J. S. Irish, chairman, Iowa State Traveling Men's; W. W. Putney, Midwest Life; M. W. Hobart, Minsters Casualty Union; E. H. Speckman, Kentucky Central L. & A.; Bunyan Davis, United Craftsman.

Statistics—F. R. Parks, chairman, Loyal Protective; J. R. Leal, Inter-State Life & Accident; F. Edward Rushlow, United Life & Accident; L. M. Willson, Century Indemnity; J. Kelso Mairs, Boston Casualty.

Taxation and Cooperation—J. W. Scherr, chairman, Inter-Ocean Casualty; W. C. Safford, American Liability & Surety; J. F. Ramey, Washington Fidelity National.

Now is the time to order National Underwriter calendars. They get the business.

Canadian in Study of Auto Liability Experience Here

JUSTICE ON WIDE SURVEY

American Company Executives and State Officials Show Honors to F. E. Hodgins, Distinguished Visitor

NEW YORK, Oct. 16.—After spending some days in this city Justice F. E. Hodgins, who holds the royal commission to investigate reasonableness of automobile insurance rates on the province of Ontario as determined by the Canadian Automobile Underwriters Association, methods, rules and principles governing their operation and other pertinent matters, is now in Hartford conferring with Commissioner Howard F. Dunham, the motor vehicle commissioner and Vice-President R. J. Sullivan of the Travelers. He will continue to Boston, where calls will be made on Governor Allen, Commissioner Brown and E. C. Stone, United States manager of the Employers group.

While in New York Justice Hodgins was the luncheon guest of several casualty executives, A. Duncan Reid, president of the Globe Indemnity, doing the honors. Later the jurist was entertained at dinner in the home of Superintendent Albert Conway, who invited city officials to meet the Canadian. Every possible courtesy was extended the commission while here.

The department and the National Bureau of Casualty & Surety Underwriters explained basic principles in preparing auto liability rates and gave the general experience. The actuarial firm of Woodward, Fondiller & Ryan of this city was retained by the commission as consultants some months ago.

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Law & Finance Building, 425 Fourth Avenue
H. B. MARSH, Resident Vice-President.....Manager

CHICAGO, ILL.
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CHANGES IN CASUALTY FIELD

NAMES FINN-ELBOW COMPANY

Massachusetts Bonding Appoints General Agent for San Francisco and Surrounding Territory

The Finn-Elbow Company of San Francisco, for several years past general agent for the Southern Surety and several fire companies, has been appointed general agent for the Massachusetts Bonding for San Francisco and vicinity. The firm has resigned its connection with the Southern Surety owing to the establishment of a Pacific Coast branch office which has taken over its jurisdiction. Under the Massachusetts Bonding plan the Coast branch office will relinquish its San Francisco business to the general agency but will continue to direct the business throughout the territory as a home office branch. The Finn-Elbow Company will report to this branch.

Made Wheeling General Agent

NEW YORK, Oct. 16.—The Amord Realty Company of Wheeling, W. Va., has been appointed general agent for the Standard Surety & Casualty of this city in both casualty and surety lines. The agency has extensive interests in and about Wheeling and in addition operates several large developments in the northern section of the state. Barnett Benjamin is manager of the insurance department and has had 16 years of underwriting experience.

Fred L. Sheely, P. E. Chunn

Fred L. Sheely, special agent for the Chicago branch office of the Aetna affiliated companies for six years, has been appointed casualty underwriter at the Los Angeles branch, effective immediately. Mr. Sheely started with the Aetna in 1922 as special agent in the Des Moines branch and in 1924 was transferred to the Chicago office. There he covered the entire territory supervised by that office, at the same time working with loop brokers for all lines. He has

occupied prominent places among Chicago casualty men and is a member of the Casualty Field Club of Illinois.

He is being succeeded in Chicago by P. E. Chunn, who has been with the Aetna for nine years as special agent for northern Illinois territory. He was secretary of the Casualty Field Club in 1927-1928 and is now a vice-president of that organization. Mr. Chunn will be succeeded by one of the Chicago branch office men, whose name will be announced later.

New Los Angeles Assistant Manager

James A. Evans has been appointed assistant manager of the Los Angeles branch of the National Surety. For eight years prior to forming his present connection Mr. Evans was vice-president in charge of the surety department of the Robinson-Williams Agency, Long Beach, Cal. In his present position he succeeds Don M. Ladd, who formed a connection with the Fidelity & Deposit in San Francisco several months ago.

Boedeker Goes to Milwaukee

LOUISVILLE, Oct. 16.—William F. Boedeker, for a number of years chief engineer and senior inspector for the Travelers, Louisville division, has been transferred to Milwaukee. His successor at Louisville has not been named as yet.

Holbrook Takes Raleigh Post

R. B. Holbrook, formerly with the Memphis branch office of the United States Fidelity & Guaranty, has succeeded Joseph U. Moore as special agent for the Richmond branch of this company, with headquarters at Raleigh supervising all underwriting lines in eastern North Carolina. Mr. Moore resigned recently to join the Metropolitan Casualty at Greensboro, N. C.

Hadlock Gets Standard

George C. Hadlock, who has a well established agency at Hartford, together with important industrial interests, has been given the general casualty agency of the Standard Surety & Casualty of New York.

WORKMEN'S COMPENSATION

MANY CARRY NO INSURANCE

New York Industrial Commissioner Says She Will Prosecute Employers Without Compensation Coverage

BUFFALO, N. Y., Oct. 16.—Frances Perkins, industrial commissioner of New York, speaking at the annual convention of the International Association of Industrial Accident Boards & Commissioners, said it is the plan of the body of which she is head to seek jail sentences for employers who knowingly fail to insure their workmen. Three hundred such employers are scheduled to appear before magistrates in New York City within the next 10 days to plead to charges of failure to insure workers.

A recent survey of 18,000 employers in New York state revealed 4,500 were without insurance of any kind, it was stated. Commissioner Perkins urged that standards of payment for industrial injuries be raised throughout this country to those of the states with the most generous provisions. She attacked employers who "buy" insurance but fail to pay the premiums. Many employers by rotating their insurance dodge actual payment for months and obtain protection without cost, it was said.

The Snow-Lowery Company, Shreveport, La., has been appointed regional agent for the liability and surety department of the National Casualty.

Now is the time to order National Underwriter calendars. They get the business.

HOLDS FOR TORNADO VICTIMS

School Teachers Aided Pupils in Getting Out of Wrecked Woodville, Va., School

Two school teachers who were injured in a tornado disaster at Woodville, Va., last May are entitled to financial relief under provisions of the Virginia workmen's compensation act, according to a decision of Major Charles G. Kizer, member of the industrial commission which administers that act. It is expected that the defendants will ask for a review of the case. Commissioner Kizer holds that the teachers, Miss Mary Stark and Mrs. Elizabeth Browning, were clearly injured in line of duty and therefore the case is compensable. In his opinion, he points out that they might easily have escaped uninjured had they fled from a school in which they were teaching when the tornado first struck it. Instead, however, as he construes the evidence given in the case, they stuck to their posts and endeavored to get the children out of the building before they took thought for their own safety. Both were severely injured before they could make an exit from the school.

The defense is that the tornado was an act of God and that the injuries of the two claimants were not suffered in regular line of duty. The Virginia court of appeals has passed on only one other similar case. In that case two watchmen were killed in Portsmouth in 1926



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THE ABILITY of the home office of the United States Fidelity and Guaranty Company to understand and fully appreciate the efforts of its agents throughout the United States and Canada and its willingness to cooperate at all times has resulted in a remarkable yet natural growth in which the agent materially benefits.

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when a tornado demolished the structure. By a divided court, the appellate tribunal affirmed decision of the industrial commission which awarded compensation to dependents of both victims of this disaster.

Alberta Accidents Increasing

CALGARY, ALTA., Oct. 16—According to a report by the workmen's compensation board, an increased number of accidents is shown throughout the province of Alberta for the eight months ending Aug. 31. Accidents this year to date have cost nearly \$850,000 in compensation paid out and are considerably in excess of the total for the same period last year.

Manufacturers Want Tax Reduced

RICHMOND, VA., Oct. 16—Virginia manufacturers want a reduction in the

tax of 3 1/4 percent on workmen's compensation premiums levied by the state. At the annual convention of their association, held in Richmond, a special committee was appointed to study the question with a view of possibly having the tax reduced at the next session of the legislature convening in January. The idea prevailed that the present tax is too high.

Virginia Accident Report

RICHMOND, VA., Oct. 16—Industrial accidents in Virginia totaled 3,248 last month compared with 3,004 for the same month in 1928, according to figures compiled by Frank P. Evans, statistician of the state industrial commission. Eight deaths resulted from accidents suffered by workers in September contrasted with 14 for the same month in 1928. The commission approved 688 agreements providing for compensation to injured workmen in September as against 631 the corresponding month last year.

ACCIDENT AND HEALTH FIELD

NEED OF EDUCATION URGED

R. E. Richman Addresses Chicago Managers' Club—Ralph Wood Elected Secretary

Ralph Wood of the accident department of the Ocean Accident & Health Managers' Club at its regular October meeting Monday. Mr. Wood takes the place made vacant by the resignation of Charles H. Jackson, former secretary, who resigned when he left Chicago to attend the Travelers school in Hartford.

The speaker at the luncheon was R. E. Richman, editor of the A. & H. Bulletins. Mr. Richman urged more serious recognition of educational methods in the accident and health business. He gave evidence to refute the commonly accepted notion that the studious type of salesman does not on the average do better than the man who depends solely on the so-called natural abilities of salesmanship. He cited also the results of intensive use of educational methods in other lines of business as well as in the insurance business. The accident and health business can attract the highest type of brains and ability for the future only by adopting the modern methods of business including research to determine the best methods of management and education and then applying those methods to the business, he said.

The club voted approval of the plan to organize a national association of accident and health clubs and will join as a charter member, sending a delegate to the organization meeting which will be held later.

President Donald A. Drury was authorized to sign the charter of the national association for the Chicago club as a unit, provided that it is not a matter of individual membership in the association. If each member of the club is expected to affiliate as an individual, the president was instructed to obtain additional information to be presented to the club for further discussion.

The next meeting will be held Nov. 18. The speaker will be E. A. Johnson, Illinois manager for the Inter-Ocean Casualty.

Peerless Casualty Increases Rates

The Peerless Casualty of Keene, N. H., is making a slight increase in rates on the "Peerless supreme" monthly income policy and the "Pe-Cas-Co" noncancellable policy. The new rates will go into effect Oct. 20 and will not be retroactive.

Death by Shooting Held Accident

FRANKFORT, Oct. 16.—The death of an insured person resulting from a wound from a bullet intended by the slayer for another person who jumped behind the injured and insured person, is held by the court of appeals of Kentucky as an accidental death within the terms of an accident policy. Such an ac-

cidental death is held not excepted from an accident policy, although the policy provided that no indemnity would be paid for injuries from a gunshot wound or stab, since the last exception referred only to non-fatal injuries. The insured was Elmer Harper of Paducah, Ky., and the company the Kentucky Central Life & Accident.

Claim Association Opens Season

The Chicago Claim Association held its first meeting of the season last week. Interesting addresses were given by Judge Huston Quin of Louisville, former mayor and prominent in legal circles in that city, and James H. Topping, Chicago life insurance man, who spoke on reading character from the hand.

Election of officers for the coming year will feature the next meeting of the association, which will be held Nov. 13.

Visit Company's Agencies

Virgil E. Nutt, vice-president and claim auditor, and O. B. Hartley, vice-president and general counsel of the Great Western of Des Moines, are visiting the Kansas and Texas agencies of the company.

Change Auto Policy Age Limits

The accident department of the Midwest Life of Nebraska in the future will have the age limits of automobile insurance policies conform to those of the standard policy, 18 to 60 years. The Nebraska law fixes 16 years as the date when a minor may lawfully drive a car, but the company's experience has been that most of the accidents happen to cars driven by youths of 16 and 17, and

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hereafter they will be cut out of any recognition. President Putney says that it is evident that immaturity of the mind at those ages causes careless and reckless driving, but as the burden of proof is on the company it has been difficult to establish a defense.

Frank L. Patrick has been transferred from Des Moines to Sioux City as district manager of the Monarch Life and Monarch Accident company. Mr. Patrick's district includes most of northwestern Iowa.

SURETY NEWS

REVERSES TRADE BANK CASE

Appellate Court Takes Issue With New York Supreme Court on Bankers Blanket Bond Suit

In a recent issue attention was called to the case of the Trade Bank of New York, respondent, vs. United States Fidelity & Guaranty, appellant. The judgment of the appellate division and that of the trial term was reversed by the court of appeals. The complaint was dismissed. By the deposit of forged checks drawn on banks in distant cities to his account in the plaintiff's bank, a customer of the plaintiff was enabled to obtain a fictitious balance in his favor and drawing check thereon, which the plaintiff paid, overdrew his actual account in a substantial sum.

This action was to recover upon a banker's bond executed by the defendant, indemnifying plaintiff against loss of property through larceny. The bond specifically excluded from its coverage any loss directly or indirectly effected by means of forgery, unless committed by or with the collusion of one or more employees or any loss through larceny or theft committed by any person not an employee to whom any employee shall have otherwise than through dishonesty delivered property or extended credit.

The defenses were that the loss was not the result of larceny; that it was effected directly or indirectly by means of forgery and that if caused by larceny it was committed by a person not an employee to whom an employee of the plaintiff other than through dishonesty had delivered property on extended credit. The supreme court of New York county originally decided this case in favor of the Trade Bank of New York. The appellate division affirmed this decision, but the court of appeals reversed it.

Bonds Auto Purchaser

SEATTLE, Oct. 16.—The Hartford Accident & Indemnity has been successfully underwriting an interesting coverage for the Sands Motor Company of Seattle, Studebaker distributors, during the past five years. The company writes a master bond, guaranteeing all facts as set forth in the purchaser's contract on a used automobile to be true. Such facts are printed in supplementary papers, and furnished to the purchaser; the motor company issuing a Hartford bond to any purchaser on request. The plan has proven successful from an advertising as well as from the underwriting standpoint. No claims have been filed to date.

False Arrest Verdict Upheld

BIRMINGHAM, ALA., Oct. 16.—The Alabama supreme court has affirmed a \$2,000 judgment for Harmond McDonald against Thomas J. Shirley, former sheriff of Jefferson county, and his bonding company, the United States Fidelity & Guaranty for false arrest. McDonald was arrested on charges preferred in Florida but it was later found that he was not the man wanted.

The lower court rendered a verdict of \$7,500 but the judge held this to be excessive and reduced the amount to \$2,000, which was upheld by the supreme court.

The **Time Saver** solves those vexing accident and health contract questions for you. You should have a copy handy for ready reference in your business. Write The National Underwriter Company, 420 East Fourth street, Cincinnati, O.

Gets Big Verdict



Here is a picture from the Chicago "Tribune" of Haskell Bostlaw of that city, who was given damages of \$35,000 for the loss of a foot in a truck accident. It is hard to put any limit to the damages for such an injury. Few people will say that this verdict was too high. A similar accident may be caused by any automobile driver. The only protection is automobile liability insurance with adequate limits.

Permitted "Equity" Rates

NEW YORK, Oct. 16.—To meet the competition of nonaffiliated stock carriers, mutuals and reciprocals, company members of the National Bureau of Casualty & Surety Underwriters will be permitted to secure equity rates in all states except New York, where no deviation of any kind is permitted from the state-made compensation and general liability tariffs. In order to qualify for an equity rate, a risk must pay an annual premium of \$500 or more. Underwriters assert that the competition of mutuals is more aggressive than that of any other type of carrier.

Hudson Casualty Appointments

Having been admitted to Ohio for all Casualty lines, the Hudson Casualty of Jersey City has appointed R. A. Bryan its general agent at Cleveland. Leon D. Brown becomes manager of the service department for all territory from western Pennsylvania to Indiana.

New Des Moines Club Meets

DES MOINES, Oct. 16.—The second meeting of the newly organized Casualty & Surety Club of Des Moines was held Monday and adopted a constitution and by-laws. Forty members and guests were present.

The meeting was addressed by G. A. Holland and Ralph W. Moorhead, editor of the "Underwriters Review."

The officers of the club are as follows: J. Dillard Hall, president; Joseph H. Marshall, first vice-president; G. A. Holland, second vice-president; F. W. Appel, secretary-treasurer, and F. H. Everett, member of the executive committee.

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COLLISION	ELEVATOR	STEAM BOILER	COMPENSATION

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Experienced compensation and liability adjuster in Chicago. Prefer man now employed desiring to work for advancement in sound rapidly growing company. Give full particulars. Address N-76, care The National Underwriter.

POSITION WANTED

Former official of state insurance department, familiar with all branches of insurance, seeks company connection in home office, branch office or field. Address N-77, care The National Underwriter.

WANTED

Workmen's Compensation and Liability Underwriter for home office position outside Chicago. Address N-80, The National Underwriter.

WANTED: Position with casualty insurance company by former member of the Illinois Industrial Commission. Legal training and thorough experience in treatment of workmen's compensation cases based upon six years' experience as industrial commissioner. Well qualified and thoroughly experienced in handling accident and prevention work. Address N-73, Care The National Underwriter.

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Indemnity Company
New York**

Casualty Insurance Fidelity and Surety Bonds

We Have NOT

Increased our rate in 18 months on

Deferred Payment Insurance

As written by the
Inter-Southern Life Ins. Co.
Louisville

Federal Life Ins. Co.
Chicago

W. M. CHITTENDEN & CO.

Chamber of Commerce
CINCINNATI

From New Jersey to California

Bad Experience on \$1 Contract

(CONTINUED FROM PAGE 49)

that this company must have enjoyed a profit on its other business, and thus that the net loss of several hundred thousand dollars undoubtedly represents only a part of the actual loss on the newspaper policies.

The general opinion of underwriters now is that the \$1 accident contract cannot be sold profitably with a death benefit of more than \$1,000 on private automobile and pedestrian cover and \$10 a week disability benefit for 15 weeks, nor will it show much of a profit if the loss ratio well exceeds 50 percent.

Carriers Backing Down

Several companies that jumped into this field extensively approximately five years ago when the Federal Life of Chicago signed up the Chicago "Tribune" and obtained hundreds of thousands of policyholders through this medium, now are exchanging the old liberal contract with death benefits up to \$2,500 for a \$1,000 benefit policy when renewals come up.

One of the most prominent accident companies which has sold a large volume of newspaper pedestrian contracts in competition with companies which had longer experience on this form by offering larger principal sum on private automobile and pedestrian cover, sometime ago saw the handwriting on the wall. It offered all of this business for sale, only to find that no company wanted it because about all that was left was liability.

Conclusion of Veteran

According to an underwriter of a casualty company that has been selling this cover in a small way for many years and has kept careful account of experience, it has come to the definite conclusion that it is impossible to make money on the \$1 pedestrian accident policy with more than \$1,000 principal sum for death in a private auto or as a pedestrian.

Loss ratios of companies that thought differently have mounted as high as 75 percent, it was said. It was believed at first that the business would be profitable even with so high a loss ratio, but then it was discovered that it is quite as expensive to sell insurance by mail as it is through agents. Advertising has proved a huge expense item. In fact this underwriter states that the dollar policy of his company for some time has been sold through agents more economically than through the direct mail department.

Deluge of Claims

Comparatively small losses have been sustained on the public carrier portion of the contract, but a great number of claims has been paid under the pedestrian and private auto cover. According to accident men the Federal's contract with the "Tribune" was profitable because this newspaper assumed all cost of placing business, chalking these expenses off against stimulation of circulation, and contracts of other companies with other newspapers on a similar basis also have worked out well.

However, in most cases it has been necessary to pay some one a commission on the business, and this commission, together with the high loss ratio and expense of printing, filling in and mailing policies has carried the companies into the red.

Contract Is Blamed

Several companies which up to five years ago were considered conservative and shrewd in underwriting have showed unusual underwriting losses since that time. These companies took up wide sale of the \$1 pedestrian policy about five years ago and, according to authorities in the business, practically all of these underwriting losses are chargeable to the pedestrian contract.

In some cases underwriting profits were made on most of the other cas-

ualty business, so that a much greater loss than is indicated in reports was suffered. However, in justice to some of the companies it should be said that depressing profit and loss exhibits have been caused in some cases by voluntary transference of surplus to reserve account as the result of discovery that experience was bad and might be expected to grow worse.

Methods Used in Selling Casualty Lines Explained

(CONTINUED FROM PAGE 49)

petition on automobile particularly on the participating companies let us not overlook the fact that these small non-bureau stock companies in a great many instances could prove a boomerang against the best interests, not only of the agencies representing them, but against the business as a whole. The largest and best managed of these non-bureau stock companies, we must admit, deliver a financially sound insurance document at a very attractive price. Most of us represent the old line bureau stock companies. This type of company is the backbone of the casualty business. Without them we would be in constant disrepute with the buying public.

Should Get Cream

"Now that we have complimented them it is not in order to make to them a suggestion that because of the high type of their organizations, because of the financial strength they lend to the business, because of the ideally spread service organizations which they maintain, they should be getting the cream of this fleet business but they are not getting it. If we were to attempt to lay our fingers on the cause we would say it is because of the lack of flexibility in the automobile merit rating plan, both as applied to fleets and dealers risks. We agencies do not profess to possess the actuarial knowledge which would make it possible for us to make an unqualified statement that the merit rating plans do not meet present day requirements, but for whatever it is worth we wish to pass on the observation that several non-bureau stock companies operating in the middle west have made outstanding underwriting successes out of a tremendous volume of fleet business. With a reasonable understanding of the company and agency situations and the buying market, we offer the observation that the solution lies with the bureau stock companies and not with the agency. Having

Action Taken to Curb Bond Evils

(CONTINUED FROM PAGE 47)

no name has been mentioned in connection with the proposed arbitratorship.

Non-Conference Competition Trivial

The cutting of rates by several of the non-conference companies and the suggestion that these tariffs be met by the association offices was discussed at considerable length, the prevailing sentiment being that the competition complained of was not as serious as some members believed. It was decided that the regulation offices continue to operate without regard to the practices of the outsiders. An analysis of the 1928 premium returns of \$95,701,409 had upon fidelity and surety business by all companies discloses that the association offices secured \$95,491,344; while the non-affiliates received \$1,211,065; or 1.26 percent. Divided as to classification the association companies collected \$38,605,517 on the fidelity line and \$55,885,827 from the surety branch; the income for the free lance institutions in the same connection being \$391,930 and \$818,135 respectively. And of the nine non-affiliated companies only two concerns write throughout the country generally.

Elected New Members

Three additional companies, the Nevada Surety & Bonding, Concord Casualty & Surety and the Independent Bonding, were elected to membership in the Surety Association. The Maryland Casualty, Globe Indemnity and the Southern Indemnity were chosen to membership upon the governing committee of the organization, replacing in such connection the United States Fidelity & Guaranty, Metropolitan Casualty and the New Amsterdam Casualty, whose terms had expired.

Roscoe R. Gilkey, who has been secretary-treasurer of the Surety Association for the past 17 years, was unanimously reelected to the joint office. Prior to joining the organization he was resident attorney at Chicago for the American Surety for several years, and hence knows the surety business from its every intricate angle.

ing been educated in the business by a bureau stock company and representing one of them as a general agent, it is difficult to make this statement but we make it honestly."

CASUALTY PERSONALS

Grady H. Hipp, actuary of the New York department, has been appointed actuary of the New York State Insurance Fund. W. G. Voogt, formerly actuary of the state fund, resigned to become comptroller of the Associated Indemnity of San Francisco. Mr. Hipp has been actuary of the New York department since 1920. He came into prominence by his study of acquisition costs in life insurance. This led to important changes in the New York law at the last legislative session. He has been also prominent in investigating problems connected with reserves on noncancellable accident and health policies. Recently he has been conferring with the special committee of the National Convention of Insurance Commissioners and the life company actuarial committee on standard provisions for the total and permanent disability clause. Mr. Hipp was chairman of the Insurance Commissioners Convention committee.

Lloyd G. Stallings, manager of the underwriting department of the Standard Accident at Dallas, Tex., was stricken suddenly while at the office with acute appendicitis, and died Tuesday after an unsuccessful operation.

Mr. Stallings was formerly with the Aetna companies.

J. B. Robertson, vice-president of the Employers Reinsurance of Kansas City, accompanied by **Stanley W. Izard**, secretary of the company, spent several days in Los Angeles last week on a trip to the Pacific Coast which will include stops at San Francisco, Portland and Seattle.

BURGLARS RANSACK CHURCHES

Suggestion Is Made That Agents Solicit Churches in Order to Give Proper Protection

In a number of cities burglars have been making raids on churches, securing collections taken up at services and purloining anything that seemed at all valuable. Churches, of course, can be burglarized without much trouble. Recently at Evanston, Ill., four churches in that Chicago suburb were looted following the Sunday services. The burglars got in Sunday night. Companies, therefore, are urging their agents not to overlook the churches as prospects for burglary insurance. The present season is a very good one to place this business.



"Here's all the information you need," the new agent used to be told, as he was handed a rate-book. "Now go out and sell."



"Watch how it's done," says the Travelers Field Assistant to the new Travelers agent, "and I'll show you how to convince a prospect."

Times Have Changed—to Your Advantage!

PERHAPS you have been attracted by the great opportunities of profit, permanence, independence, growth and service that the selling end of the insurance business offers the ambitious and energetic man. Maybe you are afraid that you might be merely handed a rate-book and told to go out and sell, before you learned the fundamentals and technique.

That was the way that new men used to be initiated into the insurance business. Some companies may still follow that antiquated practice today. But that would not be your experience if you decided to join The Travelers.

Immediately after your agency contract with The Travelers is signed you would enroll for the Travelers Field Guide Course, a twelve-weeks course of study of insurance and insurance salesmanship.

This course has been designed by salesmen from the fruits of the experience of hundreds of successful

The Travelers abolished the "sink or swim" method of training new men in the insurance business when, a quarter of a century ago, it established the first insurance training school. Its Field Guide Course is today the standard by which other training courses are measured.

Travelers agents. It first takes up the easiest policy to understand and sell, gives you a thorough ground work in that before moving along to other policies and lines.

Early in your first week with The Travelers, and thereafter as needed, a Field Assistant will take you in charge, accompany you into the offices of prospects and demonstrate for you how a sale should be conducted. Later as you grow more familiar with your surroundings, you will be given the chance to conduct an interview. All business written during such interviews will be credited to your account without a charge for this service.

If you will supply the energy and ambition, The Travelers will give you a thorough training in insurance and insurance salesmanship, thus rounding out for you the essentials for success. The Manager of the Travelers Branch office will be glad to talk to you, or address Agency Department.

THE TRAVELERS

THE TRAVELERS INSURANCE COMPANY

THE TRAVELERS FIRE INSURANCE COMPANY

THE TRAVELERS INDEMNITY COMPANY

HARTFORD,

CONNECTICUT



AGE IS NOT EVERYTHING

When selecting the best company to represent, other things besides age must be considered. Earnest study must be given to the company's financial strength, successful operation, reputation for fulfilling contracts and willingness to help local agents with practical assistance in increasing their premium income.

Our field men have understanding. They are mature counsellors, thoroughly grounded in the fundamentals of not only the insurance business, but of selling and of efficient office management as well.

Our Advertising Department was organized for one purpose—to aid effectively, productively and willingly in the handling of our agents' advertising and sales problems.

A letter to our Advertising Department will bring you additional information about our coöperation with our agents, also a copy of our widely known business-building magazine **THE ACCELERATOR**.

BOSTON INSURANCE COMPANY
OLD COLONY INSURANCE COMPANY
87 Kilby Street, Boston, Massachusetts

The National Underwriter

A WEEKLY NEWSPAPER OF INSURANCE

FRIDAY, OCTOBER 18, 1929



Gordon Gilliland



J. Stewart Pearce



Hunter L. Martin



W. B. Hankla



A. L. Morley

Announcing a Partnership

Things that should be of interest to the agent in selecting his general agency are stability of the agency, the service that agency can render, and the companies it represents.

To guarantee stability and perpetuation of this agency, Pearce, Porter & Martin have taken as co-partners into their insurance organization these ten men whose loyalty to their present work extends over many years.

They are not strangers, they have been with this organization many years and each one has ability to serve the agents in some special way.

This agency represents only those companies in which it has the utmost confidence as to financial responsibility and ability to serve.



J. E. Marlow



Harry Gilbert

Pearce, Porter & Martin

General Agents

9th Floor Exchange Bank Bldg.
Tulsa, Oklahoma, L. D. 124

FIRE

LIFE

CASUALTY

BONDS



L. E. Oliver



C. E. McFarland



A. R. Willsey



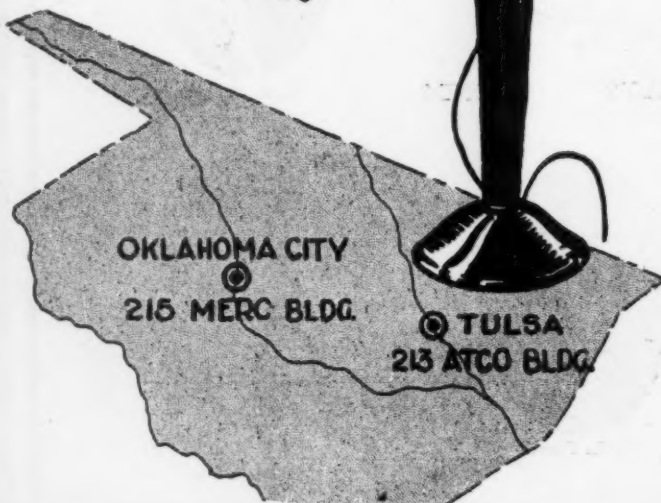
H. L. Farish



H. C. Stehr

**Call
on
The Fuller
Adjustment Co.
When You Have
Insurance Losses
in Oklahoma—**

**TWO OFFICES
OKLAHOMA CITY—
TULSA
TO SERVE YOU PROMPTLY,
EFFICIENTLY
AND ECONOMICALLY.**



We believe in the Insurance business and its future, and that the American Agent is the instrumentality through which it reaches its highest point and attains its widest distribution.

**Associated Fire
and
Casualty Underwriters
of Oklahoma City, Okla.**

INCREASED FACILITIES—

Our agents already know of our extensive facilities. Others might profit immensely should they inquire.

Long in advance of its approach we foresaw the swing back to the small line basis on the part of many prominent underwriters.

We prepared for the urgent need that we knew would soon be felt by the agents.

Our facilities have actually materially increased over those of a year ago. This is logical and easily understood. It is the multiple interests in our General Agency which is the secret of our capacity. Better make your connection now.

E. J. Heavner & Co.
General Agents

Minneapolis Fire & Marine Insurance Co.
Michigan Fire & Marine Insurance Co.
Franklin National Insurance Co.
Detroit Fire & Marine Insurance Co.
Chicago Fire & Marine Insurance Co.
Globe Fire Underwriters Agency
The Homestead Fire Ins. Co.

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TULSA, OKLAHOMA

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The National Underwriter

THIRTY-THIRD YEAR No. 42-A
EXTRA EDITION 25 Cents a Copy

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Office of Publication, 175 West Jackson Boulevard, Chicago, Illinois

OKLAHOMA AGENTS'
NUMBER

Murray to Head Oklahoma Insurors

Position on Oil Association's Action Toward Reduction of Commissions Affirmed—Unusually Strong Program Presented

Good Man at Head

*Convention Headquarters,
Oklahoma City, Oct. 16*

The new president of the Oklahoma Association of Insurors elected at the closing session of its annual meeting here today is John Murray of Altus. He succeeds E. R. Ledbetter of Oklahoma City. Mr. Murray has been chairman of the executive committee during the past year. He has been an active worker in association affairs for several years. He is well known to the agents of the state and is well qualified to preside over this organization.

The retiring president, E. R. Ledbetter, who presided at all sessions of this year's meeting, proved an excellent man for the position and has done much to strengthen the position of the Oklahoma association during his term of office. He has shown himself possessed of much ability. As presiding officer this year he functioned in a most able manner.

Jackson, Vice-President, Ball Heads Executive Committee

Garland Jackson, Muskogee, is the new vice-president. The secretary-treasurer will be selected by the executive committee. The retiring secretary, S. H. Stewart of Tulsa, during the closing session was the recipient of many complimentary remarks for the excellent manner in which he conducted his office during the past year.

The president and vice-president, together with J. S. Pearce, Tulsa; M. E. Williams, McAlester; V. V. Sills, Ponca City, and F. Wiley Ball, Oklahoma City, are members of the executive com-

NEW OFFICERS ELECTED

PRESIDENT

John Murray, Altus

VICE-PRESIDENT

Garland Jackson, Muskogee

EXECUTIVE COMMITTEE

F. Wiley Ball, Oklahoma City, chairman; J. S. Pearce, Tulsa; M. E. Williams, McAlester, and V. V. Sills, Ponca City.

Secretary-Treasurer to be elected by executive committee.

mittee. F. Wiley Ball is chairman of this committee.

The time and place of the next meeting will be decided by the executive committee.

The meetings of the Oklahoma association have always been well attended and this year's session maintained the standard set in that respect in former years. The program contained an especially strong list of speakers, which probably has not been excelled at any previous meeting of the Oklahoma association and very seldom at any state association meeting. Clyde B. Smith of Lansing, Mich., elected president of the National Association of Insurance Agents at the recent Detroit convention, was present to tell of the accomplishments of that organization. J. A. Gibson of Alton, Ill., nationally known

for his work on behalf of the National association, spoke on "Agency Management." C. N. Comegys of Chicago, manager of the Oil Insurance Association, who formerly traveled in Oklahoma and is well known to the agents of this state, described the work of that organization. A. B. Jackson, from the home office of the St. Paul Fire & Marine, St. Paul, Minn., gave an especially interesting talk on "Inland Marine Insurance." Charles T. Evans of Little Rock, Ark., vice-president of the Home companies, well known as an after-dinner speaker, was featured on the banquet program.

The contributions of the speakers from within the state were of scarcely less importance. E. R. Ledbetter, the retiring president, in his annual address,

(CONTINUED ON PAGE 7)

Reaffirm Oil Stand

*Convention Headquarters,
Oklahoma City, Oct. 16*

While there was not the same amount of discussion at this year's meeting of the Oklahoma Association of Insurors as at last year's meeting in regard to the action of the Oil Insurance Association in reducing commission rates, the matter was brought up at the closing session of the convention here today, when the report of the resolutions committee was presented and adopted. One of the resolutions adopted reads:

"Resolved, that this association express its thanks and appreciation to the National association officers for their endeavor to secure a proper adjustment of the commission controversy with the Oil Insurance Association and congratulate them upon the very splendid manner in which the agents' side was presented. We feel just as strongly now as ever that the Oil Insurance Association was not within its rights in making this reduction and we condemn the continued practice of such service organizations assuming control over our compensation with the approval of the companies."

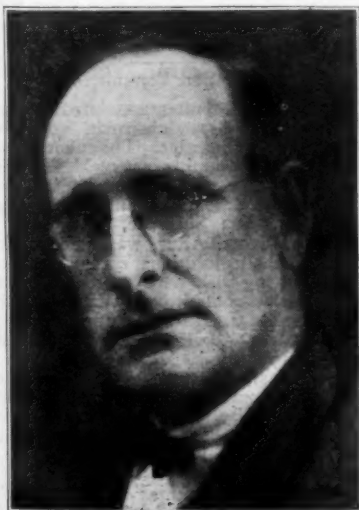
Non-Policy-Writing Action Is Approved

Other resolutions adopted were:

"The Oklahoma agents heartily endorse the action of the national association relating to the non-policy-writing agent."

"It is felt by Oklahoma agents that the financing of insurance premiums on the installment plan, whereby collections and remittances are handled by the com-

(CONTINUED ON PAGE 7)



JOHN MURRAY, Altus
New President, Oklahoma Insurors



E. R. LEDBETTER, Oklahoma City
Retiring President



H. S. CARLIN, Oklahoma City
Chairman Convention Committee



CLYDE B. SMITH, Lansing, Mich.
President National Association

Vital Issues of Day Are Reviewed

President Ledbetter Discusses Bank Agencies, Merit Rating, Commission Question and Spread of Non Policy-writing Agents

The many important issues which have confronted Oklahoma agents the past year were reviewed by President E. R. Ledbetter in his annual address. He gave particular attention to the Ponca City bank agency issue, which brought to a focus the status of the conference agreement between the National Association of Insurance Agents and the National Board.

"Almost before the convention was over last year," President Ledbetter said, "our association was called upon for further action in the Ponca City bank agency case. This case was so obviously a financial institution that the company representatives realized they had no real defense for breaking the conference agreement, so they had asked that this matter be referred to committee consisting of the executive committee of the National Association of Insurance Agents and a committee from the National Board.

Results of Conference Are Now Well Known

"The National association asked us to send a representative familiar with this case to New York to appear at this conference. Your president arranged for the Ponca City local board to send a representative. You all know the result of this conference in New York. The companies flatly refused to meet in conference and discuss problems of mutual interest with the agents. It is indeed a pitiful situation when the companies will not sit down across the table and discuss our mutual problems with us.

Legislative Situation Required Much Attention

"When the legislature got through with our former governor and started on the great game of passing laws to extract money from the insurance companies, the work of our association really started. Our legislative committee, headed by Ancel Earp, became active immediately and was continuously on the job until the legislature adjourned.

"Practically all of the bills introduced were bills for the benefit of the 'Jack-peg' lawyers and would have cost the companies much money, which would have increased rates and commissions. The agents themselves were not particularly interested, as it would only affect them indirectly, though of course we are interested in keeping rates as low as consistent. Is it not strange that the companies had just turned us down and refused to meet with us in New York to discuss our problems and yet the first act of the representative of the National Board handling legislation in Oklahoma was to come to your president and ask our aid in circularizing the organized agents and getting their active support to kill these bills which were detrimental to the insurance companies? Can you conceive of such inconsistencies?

Easy to Work With Board on Legislation

"It was indeed a pleasure to work with the committee of the National Board on legislative problems. We got along fine, worked together harmoniously just as you and I do when we sit down and talk in person to our home office officials, but it is such a different situation when you attempt to deal with the companies collectively, and no doubt the companies feel the same thing is true in dealing with the agents collectively. Sometimes association work becomes very discouraging, but the ready response which we received throughout the state when we asked for assistance from our members causes one to take on new life and realize that the agents

will, when necessary, come in and aid in fighting their problems."

Mr. Ledbetter emphasized the importance of regional meetings in giving opportunity to make more personal contacts and discuss intimate problems of the particular section where the meeting is held, and urged the holding of more such meetings. He told of the good results obtained from the regional meetings held at Ardmore and Enid.

Present Merit Rating Plan Not Acceptable

"The merit rating plan for automobiles has not yet been approved by the insurance department, and I personally hope it will not be under the present plan.

"Several local boards have been organized this year. McAlester, Claremore and Henryetta now have good local boards, and the foundations for a number of other good boards have been laid.

Successful Agent Must Know Business

"There are a number of reasons why the mutuals have shown a larger percentage of increase in premiums, nationwide, than the stock companies. We have been extremely fortunate in this state on account of the failure of several big mutuals and reciprocals, but they are coming back strong again. The principal reason for the mutuals' percentage of increase, in my opinion, is the fact

that they know their own business and our business better than we do.

"The agents as a whole are not rendering the service that they should to their customers. You can go out any day in any city or town and look at the policies written by the average agent and invariably you will find good responsible agencies who have never even mentioned to their customers that the compensation policy has only a \$5,000 death limit, that it is inadequate and it costs very little to increase it.

Agents Must Justify Commissions Received

"The time is coming when we must justify before the insurance department and to the public the commissions which we are receiving as agents and every insurance agent should have an accounting system, simple but yet adequate to segregate his expense and show it in accordance with the forms put out by the better business methods committee of the National association. If you don't take off a statement showing your expenses and compare them with the national average as shown by this committee, you are making a serious mistake and you owe it to yourself as well as to the insurance business to do this.

"You have noticed the tendency of the insurance commissioner to agitate reduction in agents' commission. At the present rate in which excess commissions are being given it will only be a short time until the insurance depart-

ments are going to tell the companies how much commission can be paid agents. In this connection, it is my personal opinion that the graded scale of commission on large lines is not far distant.

Non-Policy Writing Agents Big Menace

"The biggest direct menace confronting us in Oklahoma today is the non-policy-writing agent. General agents and non-affiliated agents in Oklahoma City are planting with contractors, hotels and property owners, right and left. These people should not be licensed and are licensed contrary to the intent of the Oklahoma law.

"We certainly owe our allegiance to those companies that are endeavoring with us to bring about the right practice in the insurance business and your premiums should go to those companies, and by that I don't mean to those companies that are being good in your particular vicinity, but I mean those companies that throughout the state and United States are subscribing to this principle."

Public Utility Man Gives Tips on Making Contacts

Public confidence has been gained by the Oklahoma Gas & Electric Company through an "open door" policy, giving service at the lowest rates commensurate with adequate and satisfactory service, and the corporation's consciousness of an equal obligation to every citizen and business in the community. George A. Davis, assistant to the vice-president, told the Oklahoma agents in his address on "Public Contacts."

The subject is one that has taken prominent place in deliberations of company officials and agents of recent years, and which has been deliberately attempted by the National Board through its institutional advertising campaign.

"There are certain fundamental principles which foster the development of public good will. These apply to all commercial and industrial institutions, and they may be found in the guides to human contact, beginning with that masterpiece of inspired literature, the Book of God, 'Whatsoever ye would that men should do to you, do ye even so unto them,'" Mr. Davis said.

"No substitution will take the place in business of intelligent, courteous and friendly personal contact with those who make it possible for us to stay in business—our customers."

Convention Committees

President Ledbetter appointed George Harrison, Tulsa, chairman of the nomination committee. The other members of this committee were M. E. Williams, McAlester; Garland Jackson, Muskogee; T. V. Dollins, Henryetta, and G. B. Hart, Shawnee.

John Murray, Altus, was made chairman of the resolutions committee and the following men were appointed members of this committee: Walter Smith, Lawton; R. C. Tate, Ardmore; Charles F. Goodale, Clinton; H. L. Ratcliff, Vinita; John Fink, Muskogee.

The constitution and by-laws committee was composed of H. S. Carlin, Oklahoma City, chairman; R. P. Parman, Elk City; F. G. Treadwell, Holdenville, and C. L. Frensey, Duncan.

Among the visitors at this year's gathering was T. Cadwell of Hartford, home office representative of the Aetna Casualty & Surety.

Manager of Audit Bureau Explains How It Operates

R. M. Miller, superintendent of the Oklahoma Audit Bureau, explained the workings of that bureau in his address to the Oklahoma agents. He voiced the desire of his bureau to cooperate with them in every way, and also praised the spirit of cooperation shown by the agents themselves. In that connection he said:

"Associations are formed by men, or groups of men, and women, engaged in the same or like businesses and professions for the purpose of bettering, advancing and protecting the best interests of all concerned. The entire world has moved forward lately at such a rapid pace that all sorts of national and international associations have been made necessary.

"The great national meeting of insurance agents held recently in Detroit has let it be known to the entire United States and Canada that the insurance business in general and the local agents in particular are keeping abreast of the times. The manner in which that convention was held gave each and every member present, if he so desired, an opportunity to discuss his personal problems and exchange his ideas with others who had the same common interests. The value of an association, regardless of whether it be local, state or national, depends upon the cooperation and support it receives from its individual members."

Work Done by Audit Bureau Is Reviewed

In discussing the work of the bureau he said:

"I am glad of this opportunity to bring to your attention a few facts and figures concerning the audit bureau, of which many of you are probably unaware. Do you know that in September

we handled approximately 30,000 daily reports, 17,000 endorsements and 6,000 cancelled policies? Against this total of 52,000 pieces received there were 6,500 criticisms issued. Some 5,500 of these were removed from suspense. Of the remainder a number were held in abeyance awaiting receipt of publication of rate by the inspection bureau, while others, issued late in the month, had not as yet received your attention. This fine percentage of cleared criticisms was made possible only by the splendid cooperation we have received from the agents of the state and I want to thank each and every one of you present for what you have done to make this record possible.

Some Suggestions Made for Benefit of Agents

"Speaking of criticisms, I might offer a few suggestions for saving time in your offices as well as in ours. Going through our file recently, I noticed that about 40 percent of the outstanding criticisms were merely inquiries seeking such information as rate book numbers, locations, nature of coverage, amounts applying to various items, etc. The majority of these were issued against endorsements. Many of you probably do not know that the only record we are allowed to keep of each daily report is the policy number, date, term, amount, rate and premium. When you consider this fact, you will readily understand why it is necessary for us to have complete information before we can pass upon any endorsement. If you will, therefore, instruct your policy writing and endorsement clerks to give complete information on each daily report, endorsement and cancelled policy, I am sure it will save all of us considerable time and duplication of work."

Tells of Unselfish Insurance Work

Manager Ingalls of Inspection Bureau Gives Amazing Insight Into Ramifications of Property and Human Life Safety Effort

The public should be informed of the many fine services fire insurance is giving in order to do away with the popular feeling that this self-same service work is a trap in which to ensnare the unwary, C. T. Ingalls, manager of the Oklahoma Inspection Bureau of Oklahoma City, declared in his paper read before the Oklahoma agents by an assistant. At the last moment Mr. Ingalls found that he could not attend.

Mr. Ingalls singled out the work of the inspection bureau as an illustration, and used this to point ways in which the local agents can help in this activity and further the cause. His address is appended.

Says Individual Effort Brings Meager Results

"We hear so much these days of 'cooperation.' The improvements of 'cooperation' by the individuals, groups,

property owners, are offered free consulting services when new structures are to be erected, and suggestions are made tending to further safeguard the property involved, and the lives of those intended to use it. City officials are aided in the preparation of fire prevention ordinances, the improvement of water supply and distribution systems, and in the organization, training, and equipment of the fire department.

Greatest Usefulness Comes With Knowledge

"To be able to derive the maximum benefit from any service there must be a complete understanding of the service offered. What a service consists of, where it can be secured, and why it is offered are questions which must be understood before the public can utilize it to the fullest extent.

"The services offered by the great industry of which you and I are a part probably have been more misunderstood than those of any other.

"You may be interested in knowing that some of our more recent activities are entirely foreign to underwriting and the cost of insurance. On the other hand, the classes of property involved usually carry little or no insurance, and have, therefore, received little of the routine service which we have rendered in the past.

"Our first work of any magnitude in this field was the complete inspection of, and the preparation of a report on, the conditions relating to the life and fire hazard in the Tulsa public schools. This school system includes 42 different schools, consisting of a total of 234 buildings. The work was done at the instance of W. F. Graham, business manager of the board of education, who told me that he would like to know what hazards to the lives of school children existed in the Tulsa schools, so that action could be taken to correct them.

Complete Report Showed All Conditions Found

"In the office, all of the conditions found were carefully analyzed and evaluated. The result of this study was the preparation of a complete report which consisted of a statement of the conditions as found, a discussion of the importance of the various conditions regarding life safety and recommendations.

"Technical fire insurance terms were used as little as possible. As we believed that Mr. Graham and the school board desired to know conditions as they actually were, no attempt was made to gloss over undesirable features, and at the same time the commendable features found were also enumerated.

Board Followed Many Recommendations Made

"The reception of our report by the Tulsa board of education, by the superintendent, Dr. Prunty, as well as by Mr. Graham, has been most encouraging. Many of the recommendations made have been complied with already.

"There is no way for us to know definitely the value of this work in Tulsa. All preventive work is handicapped because the results can be little more than estimates, which may or may not be correct. Whether the corrections which have been made, or are to be made, will be responsible for saving lives and property, you cannot know. It is safe to assume, however, that the morgues of Tulsa will not be filled with the cremated bodies of little school children, as have those of some of our other cities in the past.

"It is unfortunate that we usually need a catastrophe to awaken us to the

existence of dangerous conditions. The public is generally lethargic until jarred to its senses by some tragedy, which could have been prevented, and then sets to correcting conditions which it has complacently allowed to be created for years.

"The recent Cleveland Clinic disaster certainly shocked the whole nation. The danger of such conditions as these, however, has been known for years, and underwriters' organizations have repeatedly made recommendations for preventing loss of life and destruction of property as the result of noxious and explosive gases which are known to be evolved when nitrocellulose films decompose.

"On the very day that the fire occurred, which cost the lives of 125 patients, physicians, and employees, a small group of men sat in conference in Chicago. They represented the insurance interests, hospital and medical organizations, and hospital publications.

Evolved Safety Plan Very Day of Holocaust

"The purpose of their meeting was to formulate a cooperative nation-wide program for more adequately protecting the lives of the patients which are cared for every day in the hospitals of this country, and of the enormous property values devoted to the purpose of prolonging life and alleviating suffering.

"The plan was worked out and the meeting adjourned—but that very evening a whole nation was horror stricken at the consequence of one of the conditions which these far-sighted men had tried to avert. The work they planned, however, is under way.

"Our bureau was one of the first to take up this work, and so far, 41 hospitals located in 16 cities and towns of this state have been visited. They include practically all of the privately owned institutions having a bed capacity of 20 or over.

Many Hazards Are Found in Hospitals

"As you know, the operation of a hospital necessitates more hazardous conditions than are ordinarily found in school buildings. The use of and storage of X-ray films form only a part of the hazards ordinarily found. Cooking and heating, lighting, the use of flammable anaesthetics, sterilizers and chemicals are nearly always found in such institutions. The question of the removal of bed-ridden patients in case of a fire gives rise to a much more difficult problem than the removal of school children.

"As was expected, however, the conditions found in this state compare favorably with those found in some of the other states. Generally the hospitals of our state are of more moderate area and height, and the larger ones are mainly new and fireproof construction.

No Large Accumulations of Inflammable Supplies

"Nitrocellulose X-ray films have not accumulated in quantities such as are often found in hospitals in older states. The use of the more flammable anaesthetics has not become so general. I do not wish to leave the impression, however, that hazards do not exist. A large percentage of the institutions inspected were found to have at least moderate numbers of nitrocellulose X-ray films stored in a nonstandard manner.

"The storage of ethylene, a very flammable and explosive anaesthetic, was found in considerable quantities in

some buildings. The over-fusing of branch electrical circuits was found to be general, and the usual hazards connected with cooking and heating processes were sometimes present.

"The letters which have already been received indicate that our recommendations are being carefully considered and that many will be incorporated.

Believes Safety Films Will Come Into Use

"In the past, practically no acetate or safety films have been used, but we believe that in a few years the use of such films in hospitals in this state will be the rule rather than the exception.

"I have attempted to outline to you, as briefly as possible, these more recent phases of our work. You, also, can have a very vital part in it. The pub-



M. E. WILLIAMS, McAlester
Former President Oklahoma Association

lic needs to know what stock fire insurance, which you and I represent, is attempting to do. I think you will agree with me that work tending to save the lives of little children and unfortunate physical and mental defectives is as worthy a cause as any in which any individual or organization could engage.

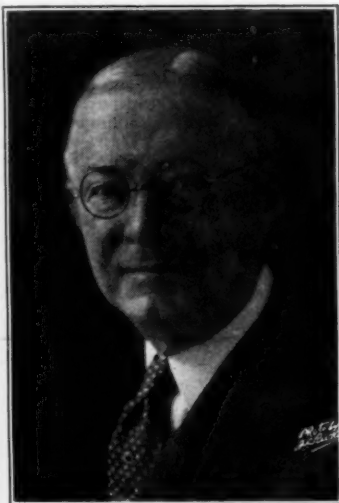
Says Insurance Service Work Is Unselfish

"It must also be understood that this is not a temporary gesture, but is a work which will and must be carried on. Even after original reports have been completed, the continual changes which are being made, the installation of new devices, and changes in management will necessitate continued inspections, and as we are the most logical organization to carry on the work, it is our intention to discharge our obligation in as thorough a manner as possible."

Pays Honors to Earp

In his annual report President Ledbetter paid a high compliment to Ancel Earp, Oklahoma City. Mr. Earp was a member of the legislative committee and did much good work at the recent session of the state legislature. He was of much assistance in the blocking of adverse legislation, which had been suggested.

On Wednesday there was a luncheon for the ladies at the Oklahoma Club. Following the luncheon some of the ladies indulged in bridge while others toured the city.



W. LYLE DICKEY, Tulsa
Former President Oklahoma Association

and by the nation is the object of scores of organizations. 'Cooperation,' we are told, is the foundation of individual, local, national, and world progress. As individuals working separately, our accomplishments are bound to be meager.

"Our present civilization is made possible because one individual or organization is permitted to render one kind of service while other individuals or groups render other services.

"That stock fire insurance has contributed its full share of service will hardly be questioned by any one who is in any way acquainted with its activities. The distribution of our tremendous fire losses has enabled business to be conducted on a larger scale and on a firmer foundation.

Furnishes Money At Crucial Time

"The worker is protected to a great extent against unemployment from the destruction of industrial plants, and the community is protected from loss in taxes of destroyed property, because money is made available for reconstruction purposes.

"In addition to this, as you well know, stock fire insurance has rendered an inestimable service in aiding in the reduction of national fire waste. The property owner, for example, is informed of the fire hazards of his property, and of the best methods by which they can be eliminated or minimized.

"Architects and engineers, as well as

Oil Insurance Situation Is Outlined

C. N. Comegys, Manager of Association, Tells Coverages Needed, Relates Industry's History, Fire Protection Methods

C. N. Comegys of Chicago, manager of the Oil Insurance Association, treated three phases of oil insurance in his talk. He told of the status of the petroleum business in Oklahoma and the various insurance coverages needed in the different stages of production. He related the history of the petroleum business and then reviewed some of the important fire protection measures which must be observed in the oil industry.

"In Oklahoma," he said, "there are over 70,000 oil wells, producing approximately 690,000 barrels of oil each day. You also have 54 refineries, besides numerous gasoline plants and booster stations. This represents hundreds of millions of dollars of insurable value and a substantial volume of premium.

"As there are only 54 refineries in the state of Oklahoma, it is obvious that each of you cannot participate in the insurance on these plants; however, there is a very large field to be developed through the writing of insurance on oil field equipment and supplies. Each well that is drilled represents a cost to the oil man of from \$10,000 to \$150,000 and approximately 40 percent of this value consists of property of an insurable nature.

Prospect for Several Kinds of Insurance

"When the material for a new well arrives on the ground the owner is a prospect for several kinds of insurance. In certain cases the lessee of the land is required to furnish a bond guaranteeing the performance of certain duties. He must obtain workmen's compensa-

tion, boiler, fire, lightning and tornado insurance, and possibly other classes. The average premium on one drilling well is approximately \$1,000 and when you stop to consider that there will be about 4,000 wells drilled in your state this year, many of which will be fully insured, you can appreciate the magnitude of this class of business. As a rule, fire insurance on drilling operations is written under an individual item form specifying a certain amount on the rig, tools, boiler and engine. If your client is successful in his drilling operations he is an immediate prospect for insurance on his oil and tanks as well as power houses and miscellaneous equipment.

"After the well is completed it is usually placed on pump and then all equipment on the lease with the exception of drilling rigs and tools may be written under a blanket form which covers all of the property of the assured at a very low cost. From the lease the oil is pumped into storage tanks having capacities ranging from 55,000 barrels to 80,000 barrels. These tanks are insured either individually or under a blanket form of coverage, and are usually covered against the hazards of fire, lightning, tornado and explosion. The rates on the tanks and contents range from 30 cents to \$3 and depend entirely upon the class of oil, the construction of the tank and surrounding exposures. As the values are quite large, this type of cover produces a very sizable income for the agent.

"The next step in the chain is the refinery that receives the oil from the

storage tanks. Refineries are usually covered under blanket forms which cover all property of insurable nature above the ground level. Rates on this class range from 40 cents to \$1.50, depending upon the general construction of the various units in the plant, as well as many other items too numerous to mention. This class of business calls for specialized treatment and requires the services of expert engineers to recommend the best construction which will produce the most equitable rate and form to be used for permanent insurance.

Refineries Require Various Types of Coverage

"The principal types of insurance written on refineries are fire and lightning, tornado, explosion, property damage, use and occupancy, tornado use and occupancy, explosion use and occupancy, and riot and civil commotion. In addition to this, the average refiner requires a number of different kinds of bonds, compensation insurance, automobile insurance and public liability. In fact the refiner must spend a considerable sum for various types of insurance and you as his local representative can secure your proportion of this business if you are interested enough to aggressively seek it and provide intelligent and adequate service. Several years ago it was impossible for the local agent to secure proper cover for a line of major importance owing to the limited number of companies writing the class, also the small amount of liability assumed by each. It often required several days or

weeks to secure complete protection for a refiner and the agent was forced to broker a large portion of the business with other agents or brokers. This delay in obtaining coverage for his client resulted quite frequently in the loss of the entire business to the agent. This condition has since been remedied and any responsible local agent may through the present combined facilities provide insurance on the largest insurable oil property in the world merely by a three minute conversation on the telephone or by a telegram.

Business Undergoing Decided Change at Present

"As you must realize, the insurance business is undergoing a decided change at the present time, which is brought about by the expansion of industrial and financial institutions throughout the world. Competition is becoming increasingly sharp and modern business has found that there is but one way to meet it and that is by increasing efficiency.

"Within the last few years the oil operator has recognized the necessity of protecting his refining output.

"The fire insurance companies have realized for many years the fact they could show a greater underwriting profit on a well constructed building at a low rate, than on a poorly constructed building at a high rate. With this in view the underwriters have been gradually building up their organizations and today have one of the most efficient group of safety specialists found in any class of business."

Facilities

Service

OFFERING TO THE AGENTS OF OKLAHOMA FACILITIES FOR A COMPLETE INSURANCE SERVICE

FIRE — CASUALTY — SURETY

GENERAL AGENTS

Atlas Assurance Company
Caledonian Insurance Company
Caledonian American Insurance Company
Dixie Fire Insurance Company

Homeland Insurance Company
Hudson Insurance Company
Svea Fire & Life Insurance Company
State Assurance Company

Globe Indemnity Company

AMERICAN AGENCY COMPANY

W. LYLE DICKEY, President

Considerate

TULSA

OKLA. CITY

Progressive

Many Opportunities for Agent in Inland Marine

In discussing "Inland Marine Insurance," A. B. Jackson of St. Paul, St. Paul Fire & Marine, brought out some good points in connection with this branch of insurance. He told the agents that they should study their business more. He pointed out that the inland marine lines offer many opportunities for the agent who will take the time and trouble to become familiar with them. Since few agents are familiar with this class of insurance, and neither the mutuals nor new stock companies are stressing it, now is the obvious time to develop the inland marine lines.

He dwelt briefly on some of the classes of insurance coming under this

listing, among which are personal policies, saying that more and more of these policies come under the all risk group. He touched briefly also on the personal jewelry and personal fur policies. He made some worth while suggestions pertaining to the writing of this class of business. A proper risk, he said, is a man who has a proper mode of living; that sometimes men with great wealth are not good risks. He said that jewelry of a man is not as good a risk as it would be owned by women. He told the agents it is most important in writing this business to underwrite the moral risk. He said that in his experience he had come across some most peculiar

losses. He told of some of these happenings.

He stated the companies were very much in the hands of the agents and consequently it is imperative that the agent know his business. "Tourist Losses" came in for some comment by Mr. Jackson. He said it has been easy for a company to be stung under an all risk policy. In this class of insurance also, he said, you cannot judge all risks by the standing and wealth of the prospect. The mode of living here again is the real basis upon which to judge the fitness of the risk.

He discussed briefly the shipment policy, pointing out that shippers are good prospects for such a contract. The cleaners and dyers and laundry policies and the warehouse men's policy were also touched on briefly by Mr. Jackson. The importance of the "goods in transit" policy, parcel post and registered mail policies were touched on, as well as the installment or conditional sales policy.

One of Leaders



J. STEWART PEARCE, Tulsa
Member Executive Committee

Bates Adjustment Company

Extends Greetings

to the

Oklahoma Association of Insurors



Oklahoma City Office:

W. S. Hanson, Manager
E. I. Hoyle
T. M. Burrow
C. H. Nelson
T. E. Thornton
H. J. Conrad
G. W. Hassell

Tulsa Office:

R. W. Murray, Manager
J. S. Bottler
H. W. Waterman
R. P. Beggs
E. P. Hopkins

The OKLAHOMA ASSOCIATION OF INSURORS

has demonstrated its loyalty by the fight it has made on behalf of agents to uphold the principles of the National Association.

Membership in the Oklahoma Association of Insurors is advantageous and worth-while for all Oklahoma agents.

**IN THESE DAYS OF
COMBINATION AND AMALGAMATION**
a few of the progressive and far-seeing
companies ARE DECENTRALIZING
and placing Home Office Service at your very door as typified by

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General and State Agents, Wichita, Kansas

OVER SIX HUNDRED PROGRESSIVE AGENTS INVITE YOU

Division Offices

Great Bend, Kan.

Kansas City, Mo.

Tulsa and Oklahoma City, Okla.

National President Reviews Trends

Smith Insists Agents Have Right to Demand Sound Company Financial Structure—Comments on Hotel Men's Rate Probe

Local agents have a greater duty than mere acceptance of the companies they represent and servicing the insurance to the best of their ability, Clyde B. Smith, president of the National Association of Insurance Agents, himself a Lansing, Mich., local, told the Oklahoma agents.

They "have a right to insist" that the financial structure of the companies are such that interests of clients at all times will be protected, Mr. Smith proposed.

He touched the high lights of the business today, commenting on non-policy-writing agents, qualification of agents, rates, and so forth, particularly noting the recent action of hotel men of this country in voting a \$5,000 fund for their insurance committee to investigate the "high insurance rates" on their properties. Mr. Smith's address in part is presented below:

"Organization in the insurance business is as essential to its success as

wings to an airplane. Without organization we would have a chaotic condition that would spell not only uncertainty but probably disaster for both companies and agents. Conceding this to be a fact, we must also admit that there has never been a time when the insurance interests have been so well organized as they are at the present.

"Granting all this, does it not seem that there should be a point of contact between the three groups—the supervising authorities, the companies and the agents? The interests of the public are of course paramount, and while the commissioners must see that the public is safeguarded, they can only be assured of the proper protection through the financial stability of the companies and the qualification of the agents.

"No rate should be so low that it will not provide for the losses, expenses and a reasonable profit for the companies. A rate that does not do this very thing

is contrary to public policy for too low a rate is as harmful as one that is too high. By the same token, no man should be licensed as an agent who does not possess the necessary qualifications.

"The National association has always stood for everything that is good in the business and I am sure it always will. We feel that our members, being the point of contact with the public, should be representative and capable insurance men. However, we do object, and we feel justified in doing so, to the indiscriminate appointment of those so-called 'agents' who have no further interest in their policyholders than the commission they receive.

Refers to Appointment of Non-Policy-Writers

"Within the past few years there have been, especially in the larger cities, a large number of non policy-writing agents appointed. The vast majority of

these would never be able to secure a license if that particular state had on its statute books a good qualification law. At the Detroit convention there was adopted a resolution asking that the companies abolish this class entirely. Personally I believe it would be a good move for the reason that they are only an added expense, to say nothing of the additional troubles caused by agents who do not know what it is all about.

"Speaking of cost, it is interesting to note that the hotel men have just provided their insurance committee with an expense fund of \$5,000 to investigate what they term the high insurance rates on hotel properties. If you, as an insurance man, were to even intimate to a hotel manager that you felt his rates were too high, he would immediately inform you that you did not know what you were talking about. Possibly he might be correct in his assumption. However, I dare say we know as much about the operation of a hotel as the manager knows about an insurance company.

Questions Motive of Hotels' Investigation

"It seems strange that any business receiving so much money from the thousands of insurance men would question what we know to be a reasonable cost for the protection received. Possibly I am doing the hotel people an injustice for it may be that this sudden interest comes from the same source as did the Church Properties Fire Insurance Corporation, namely an insurance man out of a job.

"It is interesting to note that insurance on Episcopal churches is now to be sold the same as automobiles, on the installment plan and through a finance corporation. It is hard to understand why the philanthropic organizers of this company did not arrange to write the church policies for monthly terms. They would not have had any earnings on the reserves, for no unearned premium reserve would have been necessary.

"Every man in the insurance business knows that churches and schools are notorious for their high loss ratio and I do not believe that the buildings of any particular denominations are exceptions to the rule.

Does Not Believe Agency Carriers Are Behind Deal

"The statement has been made that these churches are to be reinsured with strong stock companies. It does not seem possible that any agency company would lend its support, nor do I believe it will.

"There has always been more or less talk of reinsurance of mutual and reciprocal business by stock companies, but, to their credit, investigation has always shown there was very little of it done, and that little usually by some of the smaller companies.

Looks Forward to Time When Trademark Is General

"The National association is now starting on the third year of its so-called five year development plan. If this year sees as much growth as the two preceding years we shall be satisfied. We are working toward the complete trademarking of insurance and are confident that the time is not far distant when the discriminating buyer of insurance will insist that every policy purchased shall bear the imprint of the association.

"Looking to that end, we ask that every piece of printed matter going out of your office bear the imprint of 'Good Insurance Everywhere.' We want every

GREETINGS—OKLAHOMA INSURORS



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OKLAHOMA CITY, U. S. A.

HOME OFFICE—SECOND FLOOR—PERRINE BUILDING

AUTHORIZED CAPITAL AND SURPLUS \$1,000,000.00

Organized by Leading Insurance Agents, Business and Professional Men of the Southwest Familiar With This Field's Requirements

ONE HUNDRED PER CENT FOR AMERICAN AGENCY SYSTEM

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CORRESPONDENCE INVITED

member to use the automobile identification certificate, not only use it, but be willing to serve the cars insured by his fellow members, be they from Maine or California.

"Have you agents of Oklahoma ever thought of insisting that your members use the word 'Insuror'?" There is no reason why this designation cannot be used to separate the sheep from the goats. It is a copyrighted word and can only be used by members of the association.

Brings Up Subject of Speculative Trends

"The present trend seems to be toward consolidation and insurance is no exception; just how far it will go no one can foretell but we do know there is a limit and there must be an end; when it comes it is to be hoped we come back to earth easily and not with a crash. It behooves every agent and company to so shape its affairs that after this speculative period has run its course we can get back to the business of insurance, which, after all is our job. There may be a few headaches after the orgy is over but I am enough of an optimist to believe there will be few serious complications.

"Investments and speculation are not synonymous and I am inclined to agree with Commissioner Conway of New York who said at Toronto, 'I am opposed to speculation by insurance companies; I believe their primary function is the conduct of the insurance business.' There used to be a common practice of organizing a chain of banks, all operating on the capital of the original institution, the rest being financed out of the deposits of the customers. These were not more successful than insurance companies organized on the same basis can expect to be.

"We, as agents, have a right to insist that the financial structure of the companies represented shall be such that our clients will at all times have ample protection against the unexpected. I understand there are now stock companies owned by mutuals and reciprocals. Consistency thou art a virtue."

AGENTS ASSOCIATION REAFFIRMS OIL STAND (CONTINUED FROM PAGE 1)

pany and not by the agents who produce the business, is detrimental to the American agency system. They feel, however, that if an installment plan becomes general practice among the companies that the agent should handle all collections of such installment premiums.

Recodification of Insurance Laws Urged

"The agents of Oklahoma strongly feel that there is great need for a recodification of the insurance laws of the state. The legislative committee, therefore, is asked to take such action as may be necessary to bring this about."

Article 4 of the by-laws has been changed to provide a different method of selecting the officers of the association. The method to be used hereafter is more simplified than the one heretofore practiced.

GOOD MAN IS ELECTED AT OKLAHOMA MEETING (CONTINUED FROM PAGE 1)

presented a most valuable review of the important problems facing the local agent today, with some suggestions for their solution. The work of the inspection and audit bureau was reviewed in an address by R. M. Miller, superintendent of the audit bureau, and one prepared by C. T. Ingalls, manager of the inspection bureau, and presented by W. S. Bizzell of that bureau in the absence of Mr. Ingalls, who was unable to be present at the meeting. Rollin B. Smith of Oklahoma City, president of the American Fidelity Insurance Com-

Full Time Secretary Is Advocated

Sam H. Stewart of Tulsa, secretary-treasurer, in his report urged agents to build a large and strong state association. He said in the past that the membership had remained about the same, the gain in new members being offset by the dropping out of others. Mr. Stewart suggested that a full time secretary be employed for the purpose of increasing the membership and the establishment of more local boards. He said that Oklahoma should not be satisfied until the membership is at least 500, instead of 264, which it is at present. He further suggested that if it was found impossible to finance a full time secretary that perhaps another organ-

pany, spoke on "Accident and Health." Some interesting points were brought out in the discussions on fidelity and surety bond production, led by J. S. Pearce of Tulsa; automobile insurance, led by T. Dana Roberts, Oklahoma City; casualty production, led by V. D. Sills, Ponca City, and legislation, led by J. S. Adams, Oklahoma City.

ization could be found with similar problems and a secretary obtained on a fifty-fifty basis.

Mr. Stewart advocated the publishing of a bulletin at least twice a month and that someone beside the secretary should edit the paper as it now takes all the secretary's spare time to collect delinquent dues. He cited the situation in Claremore as an example of what can be done by establishing local boards. Last spring several members of the Tulsa Board induced the Claremore agents to establish a local board. This month President Walker of the Claremore board reports that it has succeeded in eliminating one bank agency, has taken an active part in securing favorable measures in the state legislature and has presented a united front in dealing with the various problems facing the agents. The potential strength of the association was pointed out by Mr. Stewart and he said there are hundreds of good agents in the state who are anxious to become members of a good, live local board, but some one with time to spend is needed to help them get started.

One of Insurors



E. J. HEAVNER

Tulsa general agent, one of state's insurance leaders with large representation, was present to keep in touch with local agents' viewpoint

We're in 11 States but OKLAHOMA'S our Stamping Ground

NINETEEN years ago we started to write fire insurance in Oklahoma. Since then our business has expanded into 11 states.

But Oklahoma is still our stamping ground. We deem it a privilege to protect so many Oklahomans from fire, tornado and automobile losses. We are a growing company in a growing state and we want agents who will grow with us. You should be interested in a home company with an unusual reputation for a real friendly spirit. Write to us.

RETAILERS
III INSURANCE CO.
Oklahoma City
Okla.

Giberson Compelled to Give an Encore

J. A. Giberson, Alton, Ill., local agent, as usual made a decided hit. He took on a subject which is near and dear to his heart, that of "Agency Management." His remarks dealt with interesting problems that confront the average local agent. He touched briefly on such points as the making of surveys and advertising.

The merit rating system on automobiles also came in for some discussion by him. He is very much in favor of this. He believes the automobile rates will soon be much more simplified. In his opinion, an agent should be able to quote a rate immediately. An agent would then be able to go out and sell insurance and not have to fool with the rate book.

The expense of running an office was also discussed by Mr. Giberson. Such a keen interest was demonstrated in Mr. Giberson's talk that it was arranged to have a further discussion with him during the noon hour. At this session some 30 agents were on hand for a round table discussion. Much information of practical value was brought out at this time.

Legislation Should Be Watched Closely

J. S. Adams, Oklahoma City, who spoke on "Legislation as It Affects the Insurance Business," stressed the importance of agents throughout the state putting their shoulder to the wheel to help obtain laws which are helpful to the business.

He told the agents that there is a need for a recodification of the insurance laws of Oklahoma. He said, however, that owing to the lack of funds which are turned over to the insurance board, it is a difficult matter to accomplish. The insurance business brings to the state about \$1,500,000 annually, but the insurance department is given only about \$30,000 of this amount for its maintenance and it is for this reason that the board is not able to do much. He told the agents that this is a serious matter.

Mr. Adams suggested that every agent in the state get better acquainted with his representative and senator. He said that the agents should find out the attitude of these men toward the insurance business, that they should ascertain whether the representatives are familiar

with the business and if not it is up to the agents to set him right. If the insurance men fail to do this, he asked, who will. He stated that if all the agents would get behind such a movement the representatives in the legislature could be depended upon to pass helpful laws. There would be no danger of the demagogue. Agents should not complain if they do not take the trouble to inform the members of the legislature about their business. He believes all agents must work concertedly. They should help toward good legislation and in doing this each agent is helping himself more than anybody else. He touched briefly upon the possibility of securing an agency qualification law, which he believes would be an important step forward.

The Fuller Adjustment Company of Oklahoma City and Tulsa, conducted by Guy H. Fuller, furnished the printed program for this year's meeting. This has been Mr. Fuller's custom for some years. This kindness is much appreciated by the agents.

Again on Deck



M. B. BREEDING, Oklahoma City
Former President Oklahoma Association

Agent Should Be a Student of Business

At the annual banquet M. E. Williams, McAlester, former president of the Oklahoma association was presented with a beautiful wrist watch by the Security of New Haven. Mr. Williams has represented this company for over 25 years. The watch was given him as a token of esteem in which he is held by the Security. The presentation speech was made by H. N. McCool, state agent for Oklahoma.

In speaking at the banquet, Charles T. Evans, Little Rock, Ark., vice-president, Home insurance companies, said that he is for the American agency system, and that he sees nothing in the attitude of company men showing a drift from this system. He said the time has come when an agent must be a student of his business. He believes also that the company man must be a student. In his opinion, the life insurance men have set a wonderful example for the fire insurance agents.

He pointed out that life insurance has been sold. He said many fire insurance agents never leave their office to make a sale. He believes that today our wares must be sold, that this is a day of mass production. He emphasized the necessity of the use of energy and system.

Orville Hannum, Oklahoma City, was chairman of the finance and registration committee. He was in charge of the registration desk and was ably assisted by L. H. Wahl of the T. E. Braniff Company and L. I. Baker, who is secretary of the Oklahoma City Association of Insurance Agents.

F. W. Hotchkiss of Chicago, assistant manager of the Royal, was in attendance at this year's meeting.

L. N. Ewing, President
of

L. N.
EWING

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General Agents

TULSA, OKLAHOMA

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Oklahoma Agents

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National Surety Company

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Eureka-Security Fire & Marine Insurance Co.
Merchants Fire Insurance Company
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Department Heads:

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Agency Department, C. E. Thacker
M. Spawr, Assistant
Special Agent, S. Palmer
Accounting, C. W. Allan, Treasurer
C. H. Happel, Auditor
Claims, T. J. Brickner
Casualty, R. R. Kennedy
Fire, G. H. Edler
Surety, G. M. Holmes
Safety Engineer, Walter Laswell

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PUBLICATION OFFICE, Insurance Exchange,
CHICAGO

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year; Single Copies 20 Cents.

You're in time — if you hurry

A Fire and Casualty Calendar

Your name before prospects and clients

Don't wait another year before using calendars as an advertising medium for your agency. During 1930 you can keep your name constantly before prospects and clients by having it prominently displayed on your insurance calendar which has been expressly designed by The National Underwriter to meet the needs of insurance men.

Don't delay longer

To do this it is imperative to send your order now because less than a month remains before it is necessary to go to press with this attractive calendar so you will have ample time to distribute them before the first of the year. When filled out and returned to us the coupon will bring you further information regarding the first insurance calendar exclusively planned for insurance men.

Your suggestions followed

Before designing this calendar a survey was made among insurance men regarding the type of calendar that would fit their particular needs. Then all suggestions were carefully weighed and the best points were combined with certain ideas we had. The finished calendar is one of great utility and attractiveness.

Here it is

Here is a twelve sheet, two color rotogravure calendar printed in orange and black, size 16"x9". Each month there is a new attractive picture with a message.

Different Selling Appeals

The twelve pictures were chosen not only because they were attractive calendar subjects, but each one features some particular kind of insurance and has a definite selling thought. Thus not only is your name and advertisement featured for a year but during that time twelve graphic selling thoughts for various kinds of insurance are presented.

Your imprint

Your name and advertising will appear in a prominent space just below the picture and will always be seen. The figures on the calendar pad are large enough to be easily seen at a distance. The preceding and following months along with the moon changes are shown. At the bottom of each page is printed a selling suggestion which ties up with the picture for that month.

Cost very low

The cost is low for a calendar of this type. In lots of one hundred you can buy them for only 14c each. One hundred and fifty cost 13½c each. Two hundred cost only 12c each. The price scales down until in quantities of one thousand they cost only a dime apiece.

Exclusive franchise granted

It is even possible to obtain the exclusive franchise for this calendar except in certain large cities. The first agent to order gets the franchise. Write now and ask for the quantity which will give you the exclusive franchise for your town.

Mail the Coupon Now

Remember that less than a month remains for you to get your order in for these calendars. Keep your name constantly before your prospects and clients in 1930. Sign and mail the coupon now!



Actual size 16"x9"—Colors orange and black—12 pictures

The National Underwriter
A-1946 Insurance Exchange, Chicago
Gentlemen:
This is my application for the exclusive franchise on National Underwriter
Calendars for 1930, in..... Name of Town.....
.....I will buy..... Quantity.....
State.....
calendars. Please advise me at once if this territory is open and the quantity
necessary to hold the franchise. This is not an order and does not obligate me
to buy the calendar.
NAME
STREET ADDRESS
TOWN STATE.....

OKLAHOMA AGENTS CONVENTION NUMBER



The lusty cries of an infant are heard. He is a healthy baby—just past his first birthday. He is cutting teeth and learning to walk alone. He is the pride of his parents—and will be the joy of his neighbors. He will be the useful citizen of the future, by his character and development—bringing happiness and prosperity to the community in which he is reared. What he wants now is **NOURISHMENT**.

PRUDENTIAL

FIRE INSURANCE COMPANY

The Sound, Substantial Company of the Southwest

Home Office: Braniff Building, Oklahoma City

Agents in all principal Oklahoma cities.

FIRE TORNADO AUTOMOBILE

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